UPPSALA STUDIES IN
ECONOMIC HISTORY 19

*Franklin Chinna Swamy Vivekananda*

# Unemployment in Karnataka South India

1980

ACTA UNIVERSITATIS UPSALIENSIS

ACTA UNIVERSITATIS UPSALIENSIS
*Uppsala Studies in Economic History 19*

Distributor: Almqvist & Wiksell International, S-101 20 Stockholm, Sweden

# Franklin Chinna Swamy Vivekananda
# Unemployment in Karnataka South India

Akademisk avhandling som för avläggande av filosofie doktorsexamen vid Uppsala universitets samhällsvetenskapliga fakultet kommer att offentligt försvaras på Humanistiskt-Samhällsvetenskapligt Centrum, hörsal I, lördagen den 12 januari 1980 kl. 10 f.m.

**Abstract:**
Vivekananda, F.C.S., 1979. Unemployment in Karnataka South India. *Acta Univ. Ups. Uppsala Studies in Economic History* 19. Uppsala. ISBN 91-554-0992-X.

According to earlier investigations, e.g. by the Census and National Sample Survey organisations, the rate of unemployment in India – and Karnataka – is comparable to that in industrialized countries. It is the author's opinion that this is a misrepresentation of facts caused by the concepts and methods adopted when assessing unemployment. In this study a different method, better suited for the character of the Indian economy, has been elaborated and practised. Hereby, the potential labour force and the duration of its employment for the entire year can be estimated.

The study is based on a sample survey of 6 000 households comprising some 35 000 members, half of whom belong to the labour force as it has been defined here. The results are analysed with regard to differences in employment relating to i.a. religion, sex and age. Unemployment was found to be considerably higher than in earlier surveys. Only one third of the total labour force – 45 per cent of its male part – is fully employed. Those seasonally employed make up a large portion, and of those the great majority have work for only 6 months of the year or less. The implications of these findings are rather startling. Depending on the area – urban or rural – between one third and one half of the male labour force is unemployed during at least half the year. Only open unemployment and open underemployment has been assessed. 'Disguised' underemployment is then another, additional, problem.

The low work participation rate of women has been discussed as has also the functioning of the Employment Exchange service and the economic policy of the State, the latter particularly with regard to its achievements in creating employment opportunities.

*Franklin Chinna Swamy Vivekananda, Ekonomisk-Historiska institutionen, Box 513, 751 20 Uppsala, Sweden*

Uppsala 1979 176 pp.

ACTA UNIVERSITATIS UPSALIENSIS
Uppsala Studies in Economic History 19

GOTAB Stockholm 1979 63279

*Franklin Chinna Swamy Vivekananda*

# Unemployment in Karnataka South India

Uppsala 1979

Distributor:
ALMQVIST & WIKSELL INTERNATIONAL
STOCKHOLM

Doctoral dissertation at Uppsala University 1979

ISBN 91-554-0992-X
ISSN 0346-6493
© Franklin Chinna Swamy Vivekananda

**Abstract:**
Vivekananda, F.C.S., 1979. Unemployment in Karnataka South India. *Acta Univ. Ups. Uppsala Studies in Economic History* 19. Uppsala. ISBN 91-554-0992-X.

According to earlier investigations, e.g. by the Census and National Sample Survey organisations, the rate of unemployment in India – and Karnataka – is comparable to that in industrialized countries. It is the author's opinion that this is a misrepresentation of facts caused by the concepts and methods adopted when assessing unemployment. In this study a different method, better suited for the character of the Indian economy, has been elaborated and practised. Hereby, the potential labour force and the duration of its employment for the entire year can be estimated.

The study is based on a sample survey of 6 000 households comprising some 35 000 members, half of whom belong to the labour force as it has been defined here. The results are analysed with regard to differences in employment relating to i.a. religion, sex and age. Unemployment was found to be considerably higher than in earlier surveys. Only one third of the total labour force – 45 per cent of its male part – is fully employd. Those seasonally employed make up a large portion, and of those the great majority have work for only 6 months of the year or less. The implications of these findings are rather startling. Depending on the area – urban or rural – between one third and one half of the male labour force is unemployed during at least half the year. Only open unemployment and open underemployment has been assessed. 'Disguised' underemployment is then another, additional, problem.

The low work participation rate of women has been discussed as has also the functioning of the Employment Exchange service and the economic policy of the State, the latter particularly with regard to its achievements in creating employment opportunities.

176 pp.

UNIV.
LEIDEN
BIBL.

To those unemployed

CONTENTS


| | | |
|---|---|---|
| ACKNOWLEDGEMENTS | | 9 |
| CHAPTER I | INTRODUCTION | 11 |
| | Purpose | 11 |
| | Presentation of Karnataka | 12 |
| CHAPTER II | CONCEPTS OF UNEMPLOYMENT AND METHODS OF MEASURING UNEMPLOYMENT | 16 |
| | The concepts of unemployment and under-employment | 16 |
| | Poverty | 19 |
| | Some estimates of unemployment in India and Karnataka | 22 |
| | Concepts and measures adopted by the Census of India and the National Sample Survey Organization - a critical appraisal | 33 |
| | Suggestions for a new approach to the problem of measuring unemployment | 40 |
| | Method and concepts used when measuring un-employment in this study | 41 |
| CHAPTER III | EMPLOYMENT AND UNEMPLOYMENT IN URBAN KARNATAKA | 47 |
| | General | 47 |
| | The employment position | 48 |
| | Employment position by religious groups and Scheduled Castes | 51 |
| | Employment position by sex and age-groups | 53 |
| | Unemployment - a historical perspective | 61 |
| | Trends in long term unemployment | 63 |
| | The employment position in different urban centres | 65 |
| | Unemployment and the role of employment exchanges | 67 |
| CHAPTER IV | EMPLOYMENT AND UNEMPLOYMENT IN RURAL KARNATAKA | 69 |
| | General | 69 |
| | The employment position | 70 |
| | Employment position by religious groups and Scheduled Castes | 74 |
| | Employment position by sex and age-groups | 76 |
| | Unemployment - a historical perspective | 84 |
| | Trends in long term unemployment | 87 |
| | The employment position in different rural districts | 88 |
| CHAPTER V | UNEMPLOYMENT IN KARNATAKA | 96 |
| | The general employment situation in Karnataka | 96 |
| | A comparison between urban and rural areas | 98 |
| CHAPTER VI | THE EMPLOYMENT EXCHANGE SERVICE IN KARNATAKA | 105 |
| | Results of the field study | 105 |
| | Employment exchanges | 105 |
| CHAPTER VII | EMPLOYMENT ORIENTED ECONOMIC POLICY | 115 |
| | Economic policy and planning | 115 |
| | Impact of plans in Karnataka | 118 |
| | Employment, a forgotten factor in the Five Year Plans | 121 |
| | Karnataka - a comparison with other states | 122 |
| | Plan implementation and priorities | 125 |

CHAPTER VIII APPROPRIATE STRATEGY OF EMPLOYMENT CREATION ..... 128
Industrial and mineral development ..... 128
Land, the primary factor in employment strategy ..... 133
Rehabilitation of displaced farmers of projects areas ..... 136
Employment generation through adoption of better methods in dry farming ..... 136
Land reclamation ..... 140
Effect of speedy implementation of land reforms in employment creation ..... 141
Employment through development of animal husbandry and allied activities ..... 144
CHAPTER IX COMMENTS ON SALIENT ASPECTS OF UNEMPLOYMENT IN KARNATAKA ..... 147
Seasonal employment at par with unemployment ..... 147
High rate of unemployment among young adults and old persons ..... 147
Female unemployment ..... 148
Voluntary unemployment ..... 150
Long term unemployment ..... 151
Appendix 1 ..... 153
Appendix 2 ..... 156
Notes ..... 159
Bibliography ..... 172

List of tables:

Chapter II
Table II:1. Percentage of population living below the poverty line in different states in India .... 20
Table II:2. Projection of backlog of unemployment, increase in labour force and employment generated during the various Five Year Plans ..... 23
Table II:3. Incidence of unemployment among men and women in rural and urban India according to the N.S.S. rounds, 11th to 21st ..... 28
Table II:4. Projection of backlog of unemployment, increase in labour force and employment generated in the various Five Year Plans of the State of Karnataka ..... 30
Table II:5. Incidence of unemployment in the State of Karnataka as per the N.S.S. ..... 31
Table II:6. Incidence of unemployment in Karnataka as per 1961 Census ..... 32
Table II:7. Incidence of unemployment in Karnataka as per 1971 Census ..... 32

Chapter III
Table III:1. Percentage distribution of the labour force of each religious group according to employment category ..... 52
Table III:2. Sexwise components of labour force by employment category in urban Karnataka ..... 55
Table III:3. Percentage distribution of the total labour force by age-groups and sex ..... 56
Table III:4. Percentage distribution of the fully employed, seasonally employed and the unemployed by age-groups ..... 57

Table III:5. Percentage distribution of persons in each age-group by employment category ..... 58
Table III:6. Comparative statement showing percentage distribution of the labour force by sex and employment category during the years 1955, 1960, 1965 and 1975 ..... 62
Table III:7. Distribution of the unemployed by duration of unemployment ..... 64
Table III:8. Unemployment rate among different urban areas ..... 66

Chapter IV
Table IV:1. Dependency ratio and true burden of dependency in rural Karnataka ..... 73
Table IV:2. Percentage distribution of the labour force by religion/Scheduled Caste according to employment category ..... 74
Table IV:3. Sexwise components of labour force by employment status - rural Karnataka ..... 76
Table IV:4. Percentage distribution of the total labour force by age-groups and sex ..... 78
Table IV:5. Percentage distribution of persons in each age-group by employment category ..... 81
Table IV:6. Comparative statement showing percentage distribution of the labour force by sex and employment category during the years 1955, 1960, 1965 and 1975 ..... 85
Table IV:7. Distribution of the unemployed by duration of unemployment ..... 87
Table IV:8. Unemployment rates for the rural areas of different districts ..... 88
Table IV:9. Percentage distribution of the seasonally employed according to duration of employment ..... 94

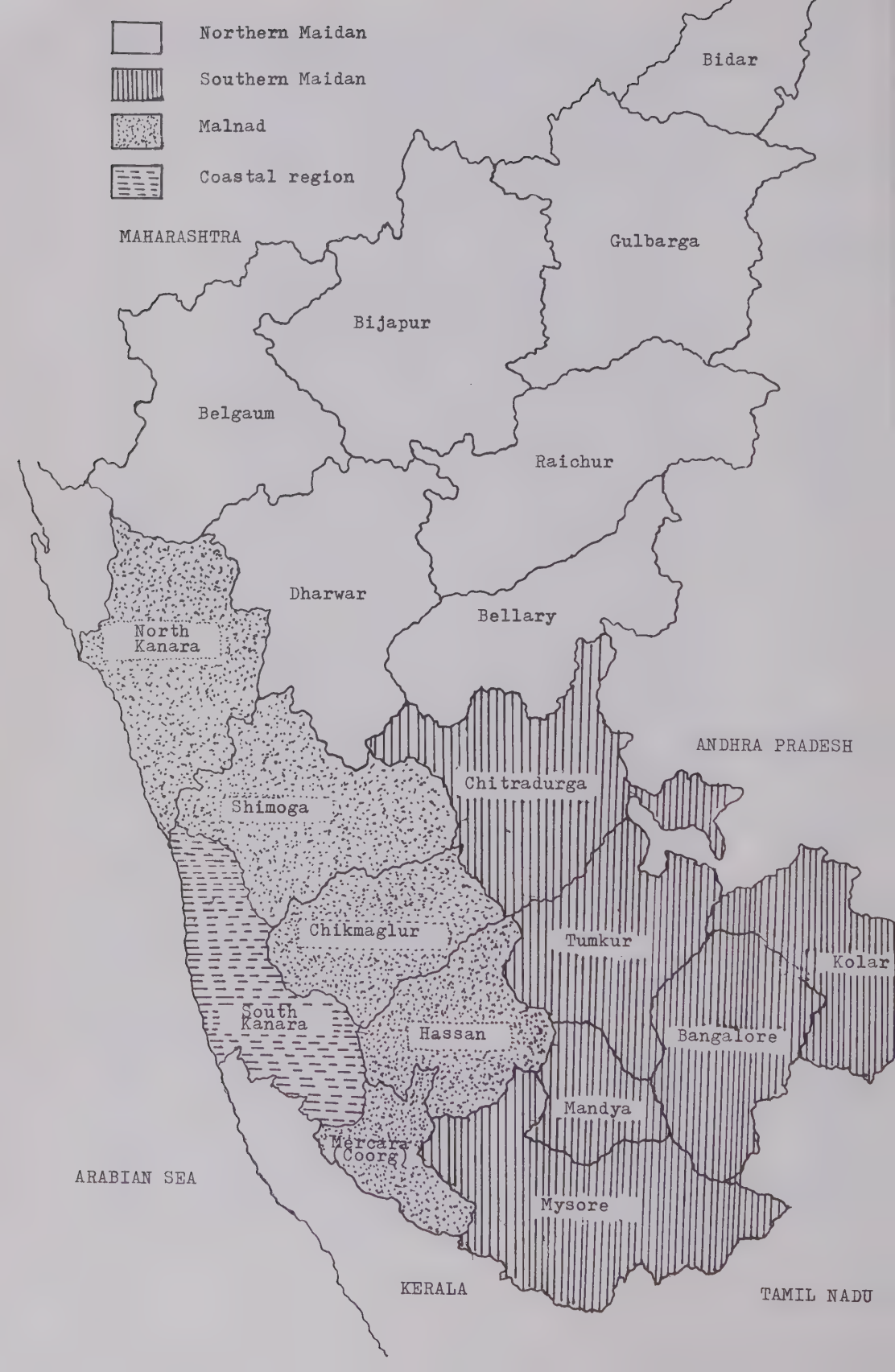
Chapter V
Table V:1. Employment or urban and rural labour force ... 99
Table V:2. Employment of various religious groups in urban and rural areas ..... 101

Chapter VI
Table VI:1. Placements by the Employment Exchanges of Karnataka, Kerala, Andhra Pradesh and Tamil Nadu ..... 109
Table VI:2. Statement showing sexwise registrations and placements in Employment Exchanges of Karnataka during the III Plan period (1961-1965) .. 111
Table VI:3. Industrial establishments and institutions recruiting through the Employment Exchanges .. 112

List of diagrams:

Chapter III
Figure 1. Urban labour force ..... 49
Figure 2. Urban male labour force ..... 54
Figure 3. Urban female labour force ..... 54

Chapter IV
Figure 1. Rural labour force ..... 71
Figure 2. Rural male labour force ..... 77
Figure 3. Rural female labour force ..... 77


Northern Maidan
Southern Maidan
Malnad
Coastal region
Bidar
MAHARASHTRA
Gulbarga
Bijapur
Belgaum
Raichur
Dharwar
Bellary
North Kanara
ANDHRA PRADESH
Chitradurga
Shimoga
Chikmaglur
Tumkur
Kolar
South Kanara
Hassan
Bangalore
Mandya
Mercara (Coorg)
ARABIAN SEA
Mysore
KERALA
TAMIL NADU

ACKNOWLEDGEMENTS

It has taken me a long journey both in the physical and the intellectual sense to get this book printed. I have had to travel a number of times back and forth from Sweden to India to collect the material needed for this study, and thanks are due to many persons who have assisted me in many ways in both these countries.

My heartful thanks to Ra Lundström, my supervisor under whom I worked right from the beginning. I really appreciate her valuable advice, constructive criticism, encouragement and patience throughout this work.

I would also like to express my sincere thanks to Professor Bo Gustafsson for his concrete criticism and valuable suggestions for alterations during the preparation of this book.

My warm thanks to M.S. Ramachandra, Census of India, Bangalore for his useful suggestions during my field investigation.

Further, I would be failing in my duty if I did not express my thanks to M.B. Nanjappa, Director, Bureau of Economics and Statistics, Professor R. Ramanna, Department of Agricultural Economics, R.G. Shama Rao, Retired Planning Officer, M. Gangarudraiah, Deputy Director, Bureau of Economics and Statistics, T. Dorai Swamy, National Sample Survey, Professor D.M. Nanjundappa, Economic Adviser, M.C. Narasimhan, Ex-M.L.A., A.K. Gopalan, Member of Parliament with whom I had many rewarding discussions about the trends of unemployment in Karnataka.

Thanks are also due to the Royal Library of Stockholm, the Institute for Social and Economic Change, the Census of India, Karnataka Legislative Assembly, the Bureau of Economics and Statistics, the University of Bangalore, and Deccan Herald Press, Bangalore, for letting me use their libraries.

The Directorate of Employment Exchanges, the Department of Planning of Bangalore and Madras, Tamil Nadu, are warmly acknowledged for providing material.

I particularly appreciate the village officials and many friends for their willing co-operation and generous help in giving voluminous information at various stages during my field survey.

My sincere thanks to my friend Fil. mag. Maths Lundin for his continuous encouragement right from the beginning.

I would also like to acknowledge my gratitude for the grants obtained from the Swedish International Development Agency.

I owe a special debt of gratitude to the officials of the University and the Department of Economic History, Uppsala. I want to particularly express my thanks to Ingbritt Dalin for typing this book.

Lastly, I take this opportunity to thank all my family members especially my late father for inspiring me all the time.

Stockholm, 7th November 1979
Vivekananda

# Chapter I

## INTRODUCTION

### PURPOSE

To measure unemployment in underdeveloped countries is a difficult task mainly due to the fact that self-employment is prevailing there to such a large extent. The primary sector is the dominant one in the economy and there is a great amount of self-employment in other sectors as well. Nevertheless it is of outmost importance for the underdeveloped countries to obtain knowledge of the employment situation. Planning, in order to be effective, must take into regard the labour force potential and its employment. Planning for employment creation would, of course, be greatly facilitated if there existed reliable information on the character of unemployment, e.g. if the employment picture of both males and females in various age-groups and in various districts and the rate and duration of seasonal employment/unemployment were known.

To this purpose the present study is a humble contribution. It concerns itself with unemployment in Karnataka, one of the Southern states of India. Firstly the existing concepts of and methods for measuring unemployment are examined and new criteria for defining and measuring unemployment are formulated. Secondly, the results of a field study in Karnataka are presented. For assessing the magnitude of unemployment, a sample of 6,009 households in the urban and rural sectors and dispersed all over the 19 districts of the state were surveyed. Thirdly, the efficiency of the Employment Exchange service and the impact of planning for development in Karnataka are critically examined and ways and means to eliminate the problem of unemployment, whether total or seasonal, are suggested.

## Re-organization of the State of Mysore, the establishing of Karnataka

Karnataka is situated in the South-Western part of India at a distance of more than 2,000 kilometres from Delhi, the capital city. The State covers an area of 191,773 square kilometres which has been constituted into 19 districts for purposes of administration. According to the latest, that is, 1971 Census, the population of Karnataka is 29.3 millions. In terms of area and population, Karnataka holds the 8th rank amongst the States and Union Territories of India. It is about two-fifths the size of Sweden.

The districts are generally grouped into three regions, namely the coastal region, the Malnad (hilly country) region and the Maidan (plains). The Maidan encompasses a large proportion of the State's geographical area. On account of vastness as well as of significant physiographic differences the Maidan is sub-divided into the northern and southern tracts. The 1971 population of the State was distributed among the regions in the following manner. [1]

| | |
|---|---|
| Coastal: (South Kanara District) ..... | 6.62 % |
| Malnad: (Districts of North Kanara, Shimoga, Chikmagalur and Coorg) ..... | 11.14 % |
| North Maidan: (Districts of Bidar, Gulbarga, Raichur, Bijapur, Belgaum and Dharwar) .. | 40.45 % |
| South Maidan: (Districts of Chitradurga, Tumkur, Hassan, Mysore, Mandya, Bangalore and Kolar) ..... | 41.79 % |

(See map)

The plains account for the bulk of the population of the State while the hilly and coastal regions contain but a small proportion respectively.

Until 1973, Karnataka was known by the more popular name of "Mysore". Historically, Mysore State came into existence soon after the Fourth Mysore War (1799) when the British established their supremacy in the

region. All through the British period, Mysore was a Princely State and, from 1831 to 1881, was directly administered by the British Commissioners. Soon after India had gained independence in 1947, the princely State of Mysore acceded to the Union of India. In 1950, along with the other parts of the country, it became an integral part of the Indian Republic. At that time the State comprised of less than half its present area, formed into 9 districts. In 1953, when the State of Andhra Pradesh was constituted, the Bellary district was transferred to Mysore from the State of Madras. In 1956, under the State's Reorganization Act, its boundaries were extended by the inclusion of large areas from the States of Bombay, Hyderabad, Madras and Coorg. Even after the formation of the linguistic State, the former name, Mysore, was retained for all official purposes till November, 1973.

Karnataka is a land of great age and at several places traces of paleolithic man have been discovered. Its history can be traced back to the 3rd century B.C. and linked to the period of Emperor Asoka. Over the centuries of its known history this area has been ruled by the Mauryas, Sathavahanas, Kadambas, Pallavas, Cholas, Chalukyas, Hoysalas and the Yadavas, among others. The ruins of the world famous capital of the Vijayanagar Empire is located within Karnataka. [2] It is natural for the people of any particular area with such a glorious past to take pride in the uniqueness of their language and culture and, to maintain their identity. The re-naming of Mysore as Karnataka may therefore be viewed as a fulfilment of a long cherished aspiration of the Kannadigas, that is, those whose mother-tongue is the Kannada language.

Physical features, natural resources, and industrial potential

The State is endowed with several perennial rivers - like the Cauvery, the Tungabhadra, the Sharavati, the Ghataprabha, the Kali - which provide water for irrigation of lands and also for generation of electricity.

Karnataka is comparatively rich in mineral wealth and is the only state producing gold - ever since 1882 - in the entire country. Iron, manganese, copper, limestone etc., are available in large quantities. Recently, huge deposits of iron ore have been discovered near the Kudremukh peak of the Western Ghats. At present, iron ore of fine grade,

from other parts of the State, is being exported to Japan and Western European countries. Other minerals of industrial importance which are available here are e.g.: Chromite, Zinc, Bauxite, Corundum, Garnet, Asbestos, Kaolin, Quartz, Feldspar, Silica.

Natural forests exist over a considerable extent in the Western and Southern tracts of the State and timber and sandal wood produced therein are also good foreign exchange earners. Fishing too is an important economic activity and marine as well as inland fishing are both prevalent here.

Agriculture is the backbone of the State's economy. Both food crops like cereals and pulses and cash crops, like cotton, tobacco and chillies, are quite popular all over the State. Several parts of the State have assured irrigation facilities even though in the State as a whole agriculture mainly depends on the vagaries of the monsoon. In certain districts, plantation crops like coffee, cardamom, pepper, and rubber are of considerable importance.

The process of industrialization began about a century ago in the State and the tempo has greatly increased during the post-independence period. Between 1956 and 1967 the number of factories in the State increased from 1,635 to 3,113. [3] In December, 1975, there were altogether 296 medium and large scale industrial units and 16,792 small scale industrial units. The growth of industrial production has, however, been uneven and there are naturally some amount of regional imbalances. In recent years, however, an attempt has been made by the State to identify industrially backward districts and provide incentives to promote industrial growth of such tracts.

The following industrial units located in Karnataka are of national importance: Hindustan Aeronautics, Hindustan Machine Tools and Watch Factory, Bharath Electronics, Indian Telephone Industries and New Government Electric Factory, all at Bangalore; Kolar Gold Mines and Bharat Earth Movers at K.G.F. city; The Mysore Iron and Steel Works and Mysore Paper Mills at Bhadravathi; Sandal Oil Factory and Silk Filatures at Mysore; Mandya Sugar Mills at Mandya, to mention only a few.

## Administration and planning

Mysore was the first State in India to introduce a representative assembly, as far back as the 1920s. It may be mentioned in passing that in the modernisation of the State, Dr. M. Visveswarayya was closely associated having been the Dewan (Chief Minister) of the State from 1913-1918. Economic conferences, irrigation schemes, hydroelectric projects and rural industrial schemes are some of his major contributions. The process of proper planning for development began during his period and as a result the Mandya district, a drought prone area, was transformed into one of the most prosperous districts of the State. While at London, in 1920, he wrote the first comprehensive book on the problems of Indian planning entitled "Reconstructing India", and followed it up in 1934 and 1937 by "Planned Economy for India" and "Nation Building - A five year plan for the provinces", respectively. The rulers of the State adopted several measures suggested by him. In the democratic set up that emerged after independence, planning for development came to be accepted as a basic precept and adopted as an essential feature of nation building activity in practice. Karnataka joined the main stream of the nation and since then the State has been under the continuous rule of the monolithic party, namely the Indian National Congress Party. Barring some incidents regarding a border dispute with the adjoining State of Maharashtra, there have been practically no major political, social or administrative upheavals in the State.

## Political and economic position in 1975

A significant development of the year 1975 is the promulgation of emergency in India, in June, and the tightening of the administrative machinery, thereafter, for the implementation of the 20 point economic programme. The economic development of Karnataka was somewhat hampered during 1975-1976 because the Central assistance to the State Plan for development remained at the 1973-1974 level. [4] Despite these difficulties the State could mobilise resources to the tune of Rs. 580 million on its own.

## Chapter II

## CONCEPTS OF UNEMPLOYMENT AND METHODS OF MEASURING UNEMPLOYMENT

### THE CONCEPTS OF UNEMPLOYMENT AND UNDEREMPLOYMENT

Large scale unemployment and underemployment have come to be regarded as the characteristic features of underdeveloped countries. Before attempting any quantitative assessment of employment/unemployment in Karnataka, a clear understanding of the concepts involved is indispensible. The questions that arise in this regard are: can we apply the concepts generally based on the experience of the Western countries to an underdeveloped economy? If so, what are the limits of reliability?

A report prepared for the Sixth International Conference of Labour Statisticians defines unemployment as follows:

> for statistical purposes, the unemployed should include all persons seeking work on a given day who are not employed but are able to take a job if offered one. [1]

This is the concept of unemployment generally used, perhaps sometimes differently phrased but in essence equivalent. It has been stated that this concept is associated to a large extent with the existence of regular employment and people seeking employment mostly on wage or salary. [2] Althouth the existence of self employment and unpaid family help is recognized also in the economically advanced countries, such groups form but a small proportion of their labour force. [3] In a developing country, on the contrary, the preponderance of an unorganised sector and production within the household enterprises raise several problems regarding both the conceptual framework and the reliability of data. [4]

The concept of underemployment has been much used to characterize certain features of an underdeveloped economy. G. Myrdal describes it as follows:

> At that time the colonial power system in South Asia was crumbling and newly independent states were coming into being. An important by-product of this concurrence of events was that Western economists and their confrères in the South Asian countries - who were just as thoroughly steeped in the Western conceptions - took over the ultra-modern Western concept of unemployment in undiluted form and applied it in South Asia. To

embrance the self-employed particularly in rural areas - who formed the larger part of the labour force, they devised the concept of "underemployment". This notion is analogous to the notion of "disguised unemployment" developed in industrialized countries during the Great Depression to describe the status of workers who had been temporarily pushed into casual pursuits less remunerative than their regular occupations. [5]

There is a vast literature on the subject of underemployment. [6] Some writers have, like G. Myrdal, associated it with the Western concept of disguised unemployment, believed to have been introduced by Joan Robinson during the crisis of the great depression. [7] It was defined by her as follows:

> Under peculiar conditions, a decline in effective demand which reduces the amount of employment offered in the general run of industries will not lead to "unemployment" in the sense of complete idleness, but will rather drive workers into a number of occupations, selling match-boxes in the shore, cutting brushwood in the jungles, digging potatoes on allotments which are still open to them. The cause of this diversion, a decline in effective demand, is exactly the same as the cause of unemployment in the ordinary sense, and it is natural to describe the adoption of inferior occupation by dismissed workers as disguised unemployment. [8]

The Committee on Underemployment of the Ninth International Conference of Labour Statisticians under the auspices of the I.L.O. distinguished two types of underemployment

> Visible underemployment which involves shorter than normal periods of work and which is characteristic of persons involuntarily working part time and "invisible underemployment" which is a characteristic of persons whose working time is not abnormally reduced, but whose earnings are abnormally low or whose jobs do not permit full use of their capacities or skills (sometimes called disguised underemployment), or who are employed in establishments or economic units whose productivity is abnormally low (sometimes called underemployment). [9]

The concept of underemployment has been further developed by Rosenstain-Roden. He defines two basic concepts of labour surplus in agriculture:

> The first is a static concept referring to that amount of population in agriculture which can be removed from it without any change in the method of cultivation, without leading to any reduction in output. The marginal productivity of labour, in other words, is zero. The second and quite different concept is the dynamic one, which refers to that amount of population (potential surplus) which can be removed from agriculture without its output falling, assuming change in the method of cultivation. [10]

As can be gathered from the literature on this subject, it is extremely difficult to precisely define, let alone to measure, underemployment. P.P. Streeten, however, points out:

> Unemployment and underemployment must also be defined with reference to some standard of working hours per day and working days per week. But such standards do not exist in large parts of traditional societies and are therefore introduced, usually implicitly, from outside. The whole set of questions relating to participation and organized work is thereby begged and a number of important relationships are concealed. [11]

In this study, the question of the so-called invisible or hidden underemployment will not be dealt with. Invisible underemployment is prevalent wherever there is surplus labour occupied in any occupation, it may be agriculture, animal husbandry or rural household industries. A great number of the rural population would in this sense be invisibly underemployed. However, they are not aware of the fact that their activities in respective productions are insufficient compared to other groups. They may be engaged full time in works like tending pigs, washing cows, or mending fences. [12] This kind of underemployment cannot easily be measured in terms of people but rather in terms of productivity.

The so-called visible underemployment, according to the definition by the Committee on Underemployment of the Ninth International Conference of I.L.O. on underemployment, mentioned earlier, will however, be dealt with.

The International Labour Organisation has defined the term "employed" as follows:

> The employed should include all persons who work on their own account or are in the employment of others. The employed should thus include employers, persons who are self-employed (i.e. who work on their own account), salaried employees, wage earners and unpaid family workers who are engaged in tasks directly related to operation of a family enterprise for a minimum of at least one-third of the normal working time during the specified period of a week, not including hours spent in unpaid domestic work. The employed should include persons in labour camps if they are free to seek alternative employment, but should not include persons in such camps who are not free to make that choice: or persons confined to prisons or similar institutions. Persons who are directly employed by any public authority or emergency public relief work should also be included in the statistics of the employed but where such persons are employed under conditions inferior to those of regular public employees engaged in the same type of work, their number should be indicated separately. [13]

Before proceeding, it would perhaps not to be out of place to remind of the fact pointed out by N. Das, who writes:

> It would be interesting to recall here that the word "unemployment" first came into common use in English speaking countries only towards the fag-end of the 19th century. As a matter of fact, even Alfred Marshall did not refer to any unemployment problem in the first volume of his "Principles" which was published in 1890, he merely spoke of "inconsistancy of employment". [14]

It might also be worth-while mentioning that even in the developed countries, there is still to-day a lack of uniformity in approach to the problem of measuring unemployment. [15]

POVERTY

To give an idea of the scene to be investigated it was thought to be appropriate to enter here some discussions and measurements of poverty in India.

In July, 1962 a study group set up by the Government of India, recommended a per capita consumer expenditure of rupees 20 per month at 1960-1961 prices as a "poverty line": all those who did not reach this requirement were to be regarded as "living below the poverty line". [16] A Government document of August, 1973 defines poverty as follows:

> The people who would fall under the poverty line are those who do not have a per capita monthly consumer expenditure of rupees 20 in rural areas and rupees 30 in urban areas at 1964-65 prices. [17]

An idea regarding the extent of poverty in India may be had from Table II:1. The data available for various years are somewhat fragmentary and a thorough comparison would not be meaningful. They are furnished here to convey a broad idea to the reader. A striking feature noticeable is that poverty is not localised to any particular part of India, but is spread, though not uniformally, all over the country.

On the basis of poverty estimates, Dandekar and Rath have concluded that about 50 per cent of India's population live below the poverty line. Commenting on the extent and nature of poverty, they observe that,

> It is clear that the rural poor consist predominantly of agricultural labourer households and small landholders with cultivation holdings of less than 5 acres, and particularly, less than 2.5 acres. [18]

Table II:1. Percentage of population living below the poverty line in different states in India

| States | 1964-65 | | 1967-68 | 1969-70 |
|---|---|---|---|---|
| | Rural | Urban | Rural | Entire population (R+U) |
| 1. Andhra Pradesh | 48.50 | 39.00 | 57.61 | 42.30 |
| 2. Assam | 18.30 | 32.80 | 48.51 | 49.40 |
| 3. Bihar | 42.80 | 71.00 | 55.55 | 49.40 |
| 4. Gujarat | 45.59 | 48.00 | 54.48 | 33.30 |
| 5. Jammu and Kashmir | 26.63 | 12.00 | 61.38 | 44.60 |
| 6. Kerala | 60.82 | 49.00 | 66.36 | 37.90 |
| 7. Maharashtra | 46.92 | 56.00 | 43.93 | 33.50 |
| 8. Madhya Pradesh | 47.02 | 61.00 | 54.73 | 44.90 |
| 9. Mysore (Karnataka) | 48.99 | 48.00 | 51.81 | 41.30 |
| 10. Orissa | 62.04 | 64.00 | 57.78 | 64.70 |
| 11. Punjab | 22.69 | 32.00 | 43.39 | 20.80 |
| 12. Rajasthan | 35.29 | 37.00 | 51.71 | 45.60 |
| 13. Tamil Nadu | 50.94 | 59.00 | 55.16 | 40.40 |
| 14. Uttar Pradesh | 41.61 | 61.00 | 62.56 | 44.80 |
| 15. West Bengal | 50.19 | 74.00 | 40.18 | 34.90 |
| All India | 44.57 | 53.00 | 51.34 | 41.20 |

The table is based on the planning Commission estimates derived from N.S.S., 22nd Round, Quoted from Mukharjee et al, Poverty in India-Measurement and Amelioration, Commerce, August 19th, 1972.

The urban poor mostly represent the overflow of the rural poor. In the hope of earning a better living, the rural poor move to large towns and cities. The rural push and the urban pull, in the economic sense of the terms, are both operative för such migrations rather intensively since Independence. The conditions in the Indian cities have worsened due to large-scale unbridled influx of rural masses causing numerous socio-economic problems. The pathetic plight of those who dwell in slums and on pavements in cities like Bombay, Calcutta, Madras etc., are to be seen to be believed.

The poverty profile of India reveals that about 252 million people are extremely poor and, thus, often subjected to conditions of starvation and untold human suffering. [19]

As for Karnataka, the state to which this study is confined, the proportion of those living below the poverty line is close to that for all of India. If there has been any change in recent years, this proportion has further increased. The Minister of Finance in Karnataka said on the floor of the Legislative Assembly on 31-3-1976, that "about 45 per cent of the population are below the poverty line". [20] Another recent investigation on the level of poverty in rural areas of Karnataka concludes:

> ... that in spite of 24 years of planned development, a vast number of the rural people i.e., 70 per cent, out of which 29.4 per cent are in severe destitution, continue to live in conditions of poverty. [21]

These quantitative assessments of poverty in Karnataka paint a discouraging picture of the State's overall economy. Under such conditions it is but natural to expect a high level of unemployment. Such unemployment may be seasonal in the case of some and full time in the case of others, and it may be concealed under the garb of underemployment. Either way the population is affected by the problem of unemployment to a considerable extent.

SOME ESTIMATES OF UNEMPLOYMENT IN INDIA AND KARNATAKA

India

There are several methods for measuring unemployment in India. During the formulation of the first three Five Year Plans, the Planning Commission of the Government of India adopted a method which is generally known as the "indirect method". The estimates are made from the following equation:

> Backlog of unemployment at the start of the preceding plan period
> plus
> Net addition to the labour force during the plan period
> minus
> Additional employment generated during the period. [22]

At the time of the First Five Year Plan, there was little statistical data available on employment and unemployment. The source, being the Employment Exchange Statistics, was limited to a few towns and cities. No estimates of total unemployment were attempted in the First Five Year Plan. During the First Plan period, the non-agricultural employment generated was about 5.5 million. The agricultural employment was not estimated. No estimates were given either on the backlog or of the growth of the labour force in the First Five Year Plan.

The Second Five Year Plan, for the first time, projected a fairly clear picture of the estimates of unemployment. The backlog of unemployment at the beginning of the Plan was estimated at about 5.3 million. The backlog of unemployment at the beginning of the Fourth Plan was estimated at 9.5 million. The net addition to the labour force was estimated at 23 million and the employment potential was estimated at 18.5 million. At the end of the Fourth Five Year Plan, the estimated unemployment would be 14 million. Those figures were estimated in the Draft Outline of 1966. There was a recess in the Five Year Plans during the period 1967-1968. Then a Draft of a revised Fourth Five Year Plan was published in 1969 (1969-74). Here no attempt was made to indicate the backlog of unemployment, the increase in labour force or the employment potential of the Plan. It is presumed that, as a result of the recess in the Five Year Plans during 1967-1968, the backlog of unemployment and the increase in the labour force might have been much larger.

Table II:2. Projection of backlog of unemployment, increase in labour force and employment generated during the various Five Year Plans
(Figures in million)

| Five Year Plans | Backlog of unemployment | Increase in labour force | Employment generated | Total unemployment at the end of each plan |
|---|---|---|---|---|
| First Five Year Plan (1951-55) | N.A. | N.A. | 5.5 | N.A. |
| Second Five Year Plan (1956-61) | 5.3 | 10.0 | 8.0 | 7.0 |
| Third Five Year Plan (1961-66) | 7.0 | 17.0 | 14.5 | 9.5 |
| Fourth Five Year Plan (1969-74) | 9.5 | 23.0 | 18.5 | 14.0 |
| Fifth Five Year Plan | N.A. | 24.7 | N.A. | N.A. |

N.A. = Not available

Source: First Five Year Plan, Planning Commission, Government of India, New Delhi, 1951, pp. 652-655.
Second Five Year Plan, Planning Commission, Government of India, New Delhi, 1956, pp. 110-118.
Second Five Year Plan, A Draft Outline, Planning Commission, Government of India, New Delhi, 1956, pp. 40-47.
Third Five Year Plan, A Draft Outline, Planning Commission, Government of India, New Delhi, 1960, pp. 83-88.
Third Five Year Plan, Planning Commission, Government of India, New Delhi, 1961, pp. 150-156.
Fourth Five Year Plan, A Draft Outline, Planning Commission, Government of India, New Delhi, 1966, pp. 106-114.
Fourth Five Year Plan, A Draft Outline, Planning Commission, Government of India, New Delhi, 1969, pp. 341-342.
Fifth Five Year Plan, Planning Commission, Government of India, New Delhi, 1976, pp. 21-22.

It is necessary to stress, that all these estimates are merely of a nature of rough estimates. This is confirmed by the document of the Fourth Five Year Plan as follows:

> In previous Plans, estimates used to be presented of the backlog of unemployment at the beginning of the Plan period, of the estimated increase in the work-force during the period, and of additional employment likely to be secured through implementation of the Plan as formulated. Excepting the estimate of increase in the work-force which was related to demographic data, the others were admittedly rough estimates. There were inherent difficulties in estimating the employment potential of the vast range of projects and programmes planned during a period. These were accentuated by the uncertainties relating to implementation. An estimate of the total employment created during a Plan period was thus in the nature of a guess. No comprehensive surveys were available of the situation in urban and rural areas at different points of time which would make it possible to check the validity of the estimates made. The estimates carried over from Plan to Plan appeared less and less firmly based. There was also considerable divergence of opinion regarding appropriate definitions of and suitable yardsticks for measuring underemployment and unemployment, rural and urban. [23]

It is also necessary to add, that the total unemployment at the end of the Plan might have been much larger than was projected by the Planning Commission. This assumption is based on the following factors: (a) The Planning Commission did not explain explicitly why the implementations of the programmes and projects were not carried through accordingly to generate the employment opportunities as proposed. It is not stated whether those employment opportunities were generated in the agricultural or in the non-agricultural sectors? Most of the Plans (75 to 80 %) have given priority to sectors outside agriculture although 80 per cent of new entrants begin their employment in rural areas with agriculture as their main occupation. [24] (b) The Planning Commission did not project any special employment programmes to cover the residual backlog of unemployment which followed from Plan to Plan in addition to the new incoming labour force. (c) Moreover, it appears that the incoming labour force to the labour market might have been much larger than the given figures, the reason being the lack of strict labour legislation, which allows e.g. 9 year-old boys and girls to work in the fields. The concept of labour force is basic to the issue of unemployment.

The National Sample Survey (N.S.S.), [25] an accredited agency of the Government of India, has been periodically providing estimates of the magnitude of unemployment in the country. The objective of the N.S.S. is as follows:

(i) making a quantitative assessment of visible and other unemployment prevalent in the country;
(ii) finding out a statistical measure for the nature and magnitude of underemployment; and
(iii) getting a picture of the pattern of employment in all its facets. [26]

The unemployment estimates for some years according to the N.S.S. are set out in Table II:3.

The N.S.S. estimates of unemployment are related to the labour force of the overall population of the country. The population is first dichotomised into those who belong to the "labour force" and those who are "not in the labour force". The term labour force is defined by the Census of India as follows:

> Labour force generally referred to those workers in the age group 15-60 years, who are eligible to take up employment. The very young and very old, disabled may not fall in the labour force. According to the 1971, the age group 15-59 is considered as consisting of those capable of working (labour force) and can, therefore, be referred to the working age group. [27]

The term not in labour force is defined by the Report of the Panel of the Assessment of the Extent of Unemployment and Underemployment as follows:

> All persons not classifiable either as "employed" or "unemployed" according to the above definitions are automatically to be categorised as not in the labour force. They may consist of:-
> (a) Persons below the age of 14 and above the age of 60 not already in employment; and
> (b) Students, housewives, pensioners, non-working proprietors, rentiers, beggars and others not already in employment and not currently looking for work. [28]

The labour force includes those who are gainfully employed in productive work and those who are presently available to work or seeking work. The N.S.S. defined gainfully employed as follows:

> A gainfully employed person may be at work or not at work during the reference week. The participation in work, again, need not always result in the production of goods and services. As for example, a doctor sitting in his chamber without having any patient for treatment, a barber sitting in a market place without any customer, and a blacksmith out on his professional rounds without any demand for his services at the moment, though not actually in the production of the goods and services was considered "gainfully employed". A person

> might be occupied in a job or enterprise but did not work during the reference week. He was treated as gainfully employed, not at work, if the reasons for his abstention from work was of the following: illness, injury, vacation or holiday, festival, inclement weather etc. On the other hand, if he did not work because no work was available for reasons like lack of demand, off season etc, he was not treated as gainfully employed even though he did not sever his connection with the job or enterprise and expected to be again at work at some future date. In such case he was treated as "unemployed" if he was seeking or available for work and as belonging to the category "not in the labour force" if he was not available for work. [29]

The term available for work is defined by the Report of the Panel of the Assessment of the Extent of Unemployment and Underemployment as follows:

> All persons who had not worked even on a single day during the reference week and were currently available for work are categorised as "available for work". They include:
> (i) Persons seeking work through employment exchanges, intermediaries, applications or direct contacts; and
> (ii) Persons not seeking work but available for work at current rates of remuneration in prevailing conditions of work. [30]

Able bodied men and women not presently engaged in productive work and who during the enumeration would say that they are not available for work for one reason or the other are entered as "not in the labour force". Therefore, the concept is not inclusive of all such persons, who by virtue of their age, are generally regarded as eligible for work and by and large expected to be engaged in productive work.

The labour force component is particularly low among females both in rural and urban areas. Between 1956-1957 and 1966-1967, this component has improved in the rural areas, that is, from 23.33 per cent to 28.53 per cent. But, during the same period, in urban areas this component has registered a significant fall: from 12.83 per cent in 1956-1957 to 10.85 per cent in 1966-1967. In other words, while in rural areas more and more women have displayed a tendency to be economically active, in the urban areas the situation is quite the reverse. Among rural males the labour force component has remained around 55 per cent, rising in the early part of this 10 year period and drapping at the end. Likewise among urban males, the 10 year period has witnessed a fall in the labour force component of the population.

Among the rural male labour force the proportion of the unemployed has decreased from 4.50 per cent in 1956-1957 to a mere 1.82 per cent in

1966-1967. Thus, over a period of 10 years the unemployment rate among the rural males has dwindled to an insignificant fraction. Likewise unemployment among the rural female labour force has decreased from 9.47 per cent in 1956-1957 to 4.35 per cent in 1966-1967. With regard to the urban labour force and its unemployed component the trend appears to be similar. Among males the fall is very spectacular: in a period of 10 years the proportion of the unemployed has slided from 7.55 per cent to 1.52 per cent. Also among the female labour force, the proportion of the unemployed has dwindled, from 6.47 per cent to 1.84 per cent. The N.S.S. estimates paint a rosy picture of gradually diminishing ranks of the unemployed both in the rural and the urban areas. These estimates can not reflect the true state of affairs; one knows that the economic conditions of the country have deteriorated in recent years and that the proportion of persons living below the poverty line has not decreased.

The results of the 27th Round of the N.S.S. have not yet been published in any greater detail. There is a figure available for all India as regards urban unemployment, 5.18 per cent. [31]

A committee called the Bhagavathy Committee, which was formed to estimate the unemployment in India, opined that in 1971 about 10.4 per cent of the total labour force of the country was unemployed. Out of an estimated 18 million unemployed, about 9.7 million attended to some nominal work of less than 14 hours per week and the rest were completely unemployed. [32] The findings of this committee coincided more or less with the results obtained by another independent agency in 1972, namely the International Labour Organisation according to which 11 per cent of the labour force was estimated to be unemployed. [33]

Another important source of information on the unemployment situation is the Census of India. According to the 1961 Census, of a total population of 439 millions, about 1.4 million, that is 0.32 per cent, were unemployed. The Census definition of "unemployed", was however confined to only those who were actively seeking work. Also, the Census methods in a way precluded probing enquiries for ascertaining facts. The rate of unemployment as disclosed by the Census can not be accepted as a true reflection of the conditions prevailing in the

Table II:3. Incidence of unemployment among men and women in rural and urban India according to the N.S.S. rounds, 11th to 21st
(Lines 2 + 5 = 100 per cent, lines 3 + 4 = line 5)

| | | Proportion of labour force in population | Proportion of labour force gainfully employed | Proportion of labour force seeking employment | Proportion of labour force not seeking but available for employment | Proportion of labour force unemployed (3+4) |
|---|---|---|---|---|---|---|
| 11th, 12th rounds | | | | | | |
| 1956-1957 | | | | | | |
| Rural | M | 55.07 | 95.50 | 3.07 | 1.43 | 4.50 |
| | F | 23.33 | 90.53 | 5.06 | 4.41 | 9.47 |
| Urban | M | 52.39 | 92.45 | 6.96 | 0.59 | 7.55 |
| | F | 12.83 | 93.53 | 5.38 | 1.09 | 6.47 |
| 14th round | | | | | | |
| 1958-1959 | | | | | | |
| Rural | M | 56.88 | 96.36 | 2.62 | 1.02 | 3.64 |
| | F | 26.66 | 90.17 | 5.74 | 4.09 | 9.83 |
| Urban | M | 52.03 | 96.42 | 3.25 | 0.33 | 3.58 |
| | F | 11.73 | 96.33 | 2.90 | 0.77 | 3.67 |
| 15th round | | | | | | |
| 1959-1960 | | | | | | |
| Rural | M | 58.74 | 97.46 | 2.28 | 0.26 | 2.54 |
| | F | 23.58 | 91.65 | 4.75 | 3.60 | 8.35 |
| Urban | M | 52.30 | 95.03 | 4.53 | 0.44 | 4.97 |
| | F | 12.39 | 93.31 | 5.08 | 1.61 | 6.69 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 17th round | | | | | | |
| 1961-1962 | | | | | | |
| Rural | M | 52.20 | 96.26 | 1.73 | 2.01 | 3.74 |
| | F | 22.16 | 91.47 | 2.62 | 5.91 | 8.53 |
| Urban | M | 50.95 | 96.98 | 3.02 | - | 3.02 |
| | F | 10.85 | 96.68 | 3.32 | - | 3.32 |
| 19th round | | | | | | |
| 1964-1965 | | | | | | |
| Rural | M | 53.01 | 97.32 | 1.21 | 1.47 | 2.68 |
| | F | 26.76 | 92.15 | 2.50 | 5.35 | 7.85 |
| Urban | M | 51.28 | 97.37 | 1.48 | 1.15 | 2.63 |
| | F | 13.40 | 92.69 | 1.64 | 5.67 | 7.31 |
| 21st round | | | | | | |
| 1966-1967 | | | | | | |
| Rural | M | 53.96 | 98.18 | 1.01 | 0.81 | 1.82 |
| | F | 28.53 | 95.65 | 1.65 | 2.70 | 4.35 |
| Urban | M | 50.56 | 98.48 | 1.52 | - | 1.52 |
| | F | 10.85 | 98.16 | 1.84 | - | 1.84 |

Source: The National Sample Survey, 11th round, August 1956, 12th round, August 1957, 14th round, June 1959, 15th round, June 1960, 17th round, July 1962, 19th round, June 1965, 21st round, June 1967, Government of India, New Delhi.

country: the rate of unemployment appears to be grossly underestimated.

The state of Karnataka

The study group of the Planning Department of the Karnataka State Government has calculated the backlog of unemployment from the beginning of the Second Five Year Plan and projected manpower estimates for the Third and Fourth Five Year Plans.

Table II:4. Projection of backlog of unemployment, increase in labour force and employment generated in the various Five Year Plans of the State of Karnataka
(Figures in 100,000)

| | Second Five Year Plan 1956-1961 | Third Five Year Plan 1961-1966 | Fourth Five Year Plan 1969-1974 |
|---|---|---|---|
| Backlog of unemployment at the beginning of each Plan | 2.24 | 3.31 | 7.49 |
| Increase in labour force | 5.17 | 9.80 | 20.60 |
| Total jobs required | 7.41 | 13.11 | 28.09 |
| Employment generated | 4.10 | 5.62 | 17.65 |

Source: Report of the Committee on Unemployment, Government of Karnataka, Bangalore, 1971, pp. 4-5.

The projected unemployment at the end of the Fourth Five Year Plan was 10.44 million.

The results of the N.S.S. for the State of Karnataka is furnished in Table II:5.

Table II:5. Incidence of unemployment in the State of Karnataka as per the N.S.S.

| N.S.S. rounds | Percentage of unemployed persons | | | | | |
|---|---|---|---|---|---|---|
| | To population | | | To labour force | | |
| | Persons | Male | Female | Persons | Male | Female |
| Urban | | | | | | |
| 17th round (1961-1962) | 0.84 | 1.29 | 0.38 | 2.60 | 1.45 | 2.82 |
| 18th round (1963-1964) | 0.46 | 0.74 | 0.16 | 1.66 | 1.60 | 2.14 |
| 19th round (1964-1965) | 0.73 | 0.99 | 0.26 | 2.26 | 2.08 | 1.83 |
| Rural | | | | | | |
| 19th round (1964-1965) | 2.10 | 2.25 | 1.95 | 4.60 | 4.01 | 5.65 |
| Urban | | | | | | |
| 20th round (1965-1966) | 0.61 | 0.78 | 0.43 | 2.04 | 1.67 | 3.69 |
| 21st round (1966-1967) | 0.50 | 0.75 | 0.22 | 1.59 | 1.53 | 1.71 |

Source: Report of the Panel of the Assessment of the Extent of Unemployment and Underemployment, Committee on Unemployment, Government of India, Vigyan Bhavan, New Delhi, 1972, p. 351.

According to the 27th round of the N.S.S., the rate of unemployment in the labour force was 0.65 per cent for rural and 4.9 per cent [34] for urban Karnataka. Thus unemployment in urban Karnataka increased from 2.6 per cent in 1961/1962 to 4.9 per cent in 1972/1973. Even this somewhat higher figure seems to be too low for the present conditions in the State of Karnataka.

The following two Census tables project the incidence of unemployment according to 1961 and 1971 decennial Census.

Table II:6. Incidence of unemployment in Karnataka as per 1961 Census

| | All state | Rural | Urban |
|---|---|---|---|
| 1. Number of unemployed persons | | | |
| Total | 46,185 | 10,481 | 35,604 |
| Male | 42,981 | 10,049 | 32,935 |
| Female | 3,204 | 432 | 2,672 |
| 2. Percentage of unemployed persons | | | |
| To population | 0.20 | 0.06 | 0.68 |
| To labour force | 0.43 | 0.12 | 1.94 |
| To male population | 0.36 | 0.11 | 1.20 |
| To male labour force | 0.61 | 0.18 | 2.27 |
| To female population | 0.03 | 0.00 | 0.11 |
| To female labour force | 0.09 | 0.01 | 0.74 |
| 3. Percentage | | | |
| Of male among unemployed | 93.07 | 95.88 | 92.24 |
| Of female among unemployed | 6.93 | 4.12 | 7.76 |

Source: 1961 Census, General Economic Tables, Part II-B(i) Mysore State

Table II:7. Incidence of unemployment in Karnataka as per 1971 Census

| | All state | Rural | Urban |
|---|---|---|---|
| 1. Number of persons classified as "Others" among non-workers * | | | |
| Total | 81,400 | 30,900 | 50,500 |
| Male | 65,800 | 24,900 | 40,900 |
| Female | 15,600 | 6,000 | 9,600 |
| 2. Percentage of "Others" among non-workers | | | |
| To population | 0.28 | 0.13 | 0.71 |
| To labour force | 0.78 | 0.37 | 2.32 |
| To male population | 0.44 | 0.22 | 1.10 |
| To male labour force | 0.80 | 0.38 | 2.24 |
| To female population | 0.11 | 0.05 | 0.28 |
| To female labour force | 0.68 | 0.31 | 2.73 |
| 3. Percentage | | | |
| Of male among other non-workers | 80.83 | 83.17 | 80.99 |
| Of female among other non-workers | 19.17 | 16.83 | 19.01 |

* Others among non-workers refers to unemployed.

Source: 1971 Census, Provisional Census Tables - B Series, Mysore State

In the 1971 Census no specific information was sought about unemployment as was done in the 1961 Census. However, the Census classified the population into "workers" and "non-workers" with further sub-categories of non-workers. The term "Others" in the 1971 Census table is a sub-category of "non-workers" which is synonymous with unemployed.

The 1961 Census revealed that the percentage of unemployed to the labour force was 0.12 for rural areas and 1.94 for urban areas. The percentage of unemployed persons to population was 0.06 for rural and 0.68 for urban areas respectively. According to the 1971 Census the rate of unemployment would have increased by a mere 0.35 units of per cent.

## CONCEPTS AND MEASURES ADOPTED BY THE CENSUS OF INDIA AND THE NATIONAL SAMPLE SURVEY ORGANIZATION - A CRITICAL APPRAISAL

### The Census of India

As has appeared above, both the Census and the National Sample Surveys give very low figures for unemployment. These seem to contradict not only the results of other investigations, e.g. those made by the Bhagavathy Committee and by the I.L.O., but also the estimates on poverty. It may therefore be worth-while to critically examine the concepts and methods adopted by the Census and National Sample Survey organisations and, in the light of inadequacies therein, formulate a fresh approach suitable for measuring the magnitude of unemployment.

The Census lays emphasis on a full count of the entire population and is quite comprehensive in its approach. The total population is divided into two categories, namely workers and non-workers, and the unemployed are included among the non-workers.

The concept of workers adopted for the 1961 Census was quite liberal while its concept of the unemployed was narrowly confined to only those who at the time of the Census enumeration - reference period - were seeking or actually available for work.

At the 1961 Census, the reference period for regular work was a fortnight and a person was considered to be employed if he/she had put in at least one day's work during the reference period. For seasonal work,

a person was deemed a worker if he/she had put in at least one hour of work a day during the greater part of the last working season. Thus, if a chronically unemployed person had by sheer luck or chance worked temporarily for one or two days during the reference period he or she was regarded as a regular worker. Similarly, even though a person was unemployed during the reference period of a fortnight, he/she was classified as a worker if he/she had put in some nominal work during the previous working season.

Naturally, such a concept in combination with a narrow reference period results in gross underestimation of the unemployed and a consequent overestimation of the employed. This point has in fact been admitted by the Census Commissioner, for the 1971 Census in the following terms: "Confining ourselves to the Indian definition of the 1961 census and 1971 census, with which we are now immediately concerned, it was on the liberal side which had exaggerated the participation rates." [35]

At the 1971 Census, the approach was modified to some extent as it was proposed to classify the population on the basis of "main activity", that is, the usual activity in which the person spent most of his or her time. This change has helped to eliminate those who could be regarded as basically non-workers (i.e. not engaged in any productive work) even though they might occasionally participate in economic activities as marginal workers.

The reference period proposed for determining "working status" at the 1971 Census was:
One week for regular work and last working season for seasonal work. For regular work, an individual would be classified as a worker if he had put in gainful work on any one day of the previous week. For seasonal work, an individual was to be classified as a worker if he or she had put in regularly at least half normal day's work during the major part of the last working season. [36]

Thus, in both the 1961 and 1971 Censuses the work participation rates were determined on the basis of only one day's work during a short reference period: a fortnight in 1961 and one week in 1971 for regular work, and of some nominal participation in case of seasonal work. Such an approach does not appear satisfactory especially in the case of an under-developed country like India where workers in the organised sec-

tor constitute a small minority.

According to the 1961 Census concept, a large section of the population fell into the category of employed persons, even though their share in productive work was extremely marginal. The 1971 definition of a worker minimized, to some extent, the inclusion of such persons among the employed category.

The Census does not provide any specific data on seasonal employment as such, even though it recognises the fact that certain occupations are seasonal in character. A person who works for the minimum specified duration during the last working season qualifies himself or herself to be regarded as at par with the regular worker. That is to say, in the final analysis, no distinction is made between a full time regular worker and a seasonal worker and both are considered to be "employed" in the economic sense of the term. Therefore, the criteria of "at least one hour's work a day during the major part of the last working season" as at the 1961 Census and "at least half normal day's work during the major part of the last working season" as at the 1971 Census are extremely liberal and somewhat inconsistent in the case of a traditionally based peasant economy. The over-all effect of such an approach at both the Censuses is an inflated participation rate of people in economic activity.

However, one has to concede that the Census of India is a massive operation carried out by the Central Government with the assistance of the State administrative machinery by employing an army of scantily trained "enumerators". Thus, the Census concepts have perforce to be simple. The Census definitions and methods of enumeration and of estimating unemployment have the merit of simplicity but result in what some observer have called "a measure of visible or superficial unemployment". [37] This comment made 3 decades ago appears to be valid still, for by and large there have not been any radical changes in either the Census concepts and definitions or in the methods used.

## The National Sample Survey

Since the inception of the National Sample Survey Organisation in 1950, several rounds of country-wide surveys have generated a very large mass of statistical data on the economically active population as well as on certain other aspects of socio-economic importance. The details so brought forth have proved valuable in understanding the complexities of the employment pattern, the unemployment situation and the problems of measurement in quantitative terms.

After some experimentation in the early stages, the N.S.S. adopted the labour force concept, i.e., current activity status with one week as the reference period, in conformity with the international standards. The N.S.S. defines the "unemployed" as the "job seekers available for work". From the Ninth Round (in 1953) onwards, the N.S.S. classified the population into "employed", "unemployed" and "not in the labour force" depending upon the respondent's activity measured during the reference period.

During the late 1960's, the N.S.S. employment enquiries were critically appraised and a necessity was keenly felt for a reorientation of the very approach to the problem as well as for a proper conceptualization, so that the extremely heterogeneous character of the labour supply available in the Indian economy would be recognised and properly reflected in the statistical data.[38]

Commenting on the N.S.S. approach, the Report of the Committee of Experts on Unemployment Estimates stated as follows:

> The N.S.S. has been collecting data on intensity of employment in terms of the number of hours worked during the reference week. This certainly provides one basis for measurement of intensity. One may however question the validity of a measurement of intensity with reference to hours of work when labour requirements in agriculture, small scale industries etc, cannot be reduced to a standard pattern for even a particular season. For this reason it appears to us that while the collection of data on hours of work is useful, it would be better if data are collected about the number of days on which a person is employed during the reference week, without recording the number of hours of work on each day and the present estimates of unemployed are replaced by a measurement of the rate of unemployment during a season.[39]

The Committee further suggested that the unidimensional measures of unemployment hitherto used by the planners be discontinued in preference to an estimation of different segments of the labour force, taking into account such important characteristics as region, sex, age, rural-urban residence status or class of worker and educational attainment for at least four seasons in a year. The Committee further added:

> An attempt could then be made to identify the demand likely to be generated for particular categories of labour as a result of various developments envisaged under the Five Year Plans. Such efforts should concentrate initially on sectors where the personnel or labour requirements can be clearly recognised. At the end of the plan the initial estimates should be compared with the actual employment created; the reasons for the difference if any should also be identified. As a result of the various suggestions made by us, two types of improvements will be brought about in the estimates of unemployment. First, even without a change in the concepts of employment and unemployment currently in use, we shall obtain separate estimates of the level of unemployment during different seasons of a year among various homogeneous groups of the labour force and/or population identified through the "usual status" approach. Secondly, we have suggested a change in the present procedure of classifying a person as employed or unemployed. Our alternative envisages the identification of the employment and labour force status of the population studied in various surveys on the basis of the activity of the respondents on each day during the reference week. The estimate obtained under this approach will indicate the average rate of unemployment during the season, or in other words, the extent of under-utilization of the available labour supply in the rural economy. It will not indicate the number of unemployed persons or the requirement of additional full-time jobs. The latter figure can be estimated through some supplementary questions about the duration of unemployment, etc., to be asked to those who report unemployment throughout the week. If our suggestions are accepted, the resulting estimates of the level of unemployment in different sectors of the economy will not only become more realistic but will be more useful for the formulation of appropriate public policy. 40

The N.S.S. partially adopted the new approach from the 27th Round. Data were collected for four sub-rounds, each sub-round being representative of one season. Despite the recommendations by the Committee of Experts, the N.S.S. never collected data on the activity of each day during the reference week. Persons working any one day during the reference week were considered to be employed. The N.S.S. did not clarify the reasons why the procedure suggested by the Committee of Experts in this respect was not followed. Even if this had been done, and despite the improvements, the N.S.S. concepts and methods still

suffer from certain inherent defects when it comes to give a picture of the employment situation in an underdeveloped economy as that of India. One might even say that the methods and concepts used are too sophisticated for the situation which is to be measured.

One of the main drawbacks in the recommendation by the Committee of Experts is that the "criteria of homogeniety" should be applied - by selecting various groups of the labour force - when estimating unemployment. The problem in this respect is that there hardly exist any homogeneous groups within the Indian labour force. The agricultural labour force hardly constitutes a homogeneous group. Some work on wages, some as cultivators and labourers, some as tenants. At the extreme end some of the agricultural labourers become bonded labourers. Not even the class of cultivators is homogeneous. Many of them attend to more than one activity; they may e.g. also own stores or act as money lenders. A study conducted in Dundur village (Gadag Taluk of Dharwar district) in Karnataka confirms this statement; 28 per cent were agriculturists and labourers and 72 per cent were agriculturists and businessmen.[41]

The character of heterogeneity is deeply rooted in the Indian economy. A cultivator of a small holding often not only works on his own farm but also as an agricultural labourer to supplement his income, and the hours of work are quite flexible to suit his convenience. The seasonal character of dry farming is also responsible for the seasonality in other household enterprises, such as basketry, cotton ginning, silk worm rearing, bee keeping, forestry, bidi-rolling, gur-making, etc. Agriculture, rearing of livestock and one or the other of the above mentioned enterprises can be pursued by the same household so that all family members (excluding the very young children and the very old persons) would find full employment all through the year. An underemployed worker may often take up casual work in the nearby urban centres or large villages to augment his income. Thus, in any particular year he may have worked in three or more occupations covering different seasons or periods of the year. Such frequent changes of occupations are very common in villages. There is also an element of voluntary unemployment among the relatively affluent households among joint-family households and in certain categories of the urban population, where the job-seekers have their specific choices and are unwilling to take up jobs which may be readily available. Thus, a respondent might come out with two or more varied answers were he asked to state

his economic activity over a period of time.

Identifying various seasons of the year also raises problems even on the state level. The seasons may vary rather considerably not only between various districts of a state but also between various years. The mobility of the labour force also poses problems in this respect. It is not unusual for agricultural labourers of the Maidan region to migrate temporarily to the Malnad region which latter region usually receives a sufficient amount of rainfall for plantation and commercial crops to be raised. After working there for a period of time, the labourers return to their home district where they may remain idle for some time. Thus, the timing may vitally effect the results of a survey of unemployment done during a week.

There are also some unclarities about the labour force concept used by the N.S.S. In the Fifth Five Year Plan it is said that the results of the first two sub-rounds by the 27th Round of the N.S.S. were unrealistic because 5-14 years old children were included in the labour force. [42]

Certain other drawbacks, of a somewhat different character, are adhered to the N.S.S. surveys. Too many enquiries are conducted in a single interview, i.e. different types of elaborate schedules are canvassed for the same household simultaneously, overlooking the element of confusion and fatigue of both the investigator and the respondent. The 27th Round contained 4 different surveys, viz. on household consumer expenditure, on building activity in rural areas, on rural retail prices and on unemployment.

While the field work alone was the responsibility of the N.S.S., the technical work relating to designing the schedules, the processing of data and the final tabulations plus the preparing of reports thereof have until recently been assigned to another organisation, viz. the Indian Statistical Institute, an arrangement which in a way has prevented a smooth flow of information and possibilities of consequent adjustments at various levels.

Of the two organisations, the Census and the National Sample Survey, more reliance must in this respect be placed on the latter. The main purpose of the Census, of course, is to enumerate the population, every

tenth year, an immense task in itself. The Censuses also provide data on workers for various administrative units. The Census employs essentially honorary enumerators on a temporary basis, whereas the N.S.S. field staff consists of well trained and experienced investigators. For various finer characteristics of the labour force, therefore, the N.S.S. is a more useful source.

## SUGGESTIONS FOR A NEW APPROACH TO THE PROBLEM OF MEASURING UNEMPLOYMENT

Despite the huge efforts and energy on the part of the National Sample Survey and Census organisations, there are still no reliable figures of unemployment in India. A critical appraisal of the concepts and methods used by these organisations when measuring unemployment shows that they are not adapted to the kind of employment situation which is prevailing in an underdeveloped country like India.

By adhering to a narrow reference period the Census opens up immense possibilities for an under-estimation of the rate of unemployment. Also, in the data presented no distinction is made between fully and seasonally employed persons.

The same can be said about the National Sample Surveys for previous years. Although their methods have of lately been improved, the results are not yet quite acceptable. The reasons for this - which have been discussed above - are more of a practical than of a principal character.

The surveys made during the various sub-rounds so far at best give an estimate of the under-utilisation of manpower for certain short periods of the year. Even were it possible to overcome the difficulties of timing, discussed above, the measurements arrived at would still give the under-utilisation of manpower during various seasons. This measurement is more geared to the character of an industrialized economy with a large organized sector.

As has already been stressed above, a large portion of the Indian labour force is likely to work for several intervals during a year and in several different pursuits. For a labour market of this character, a long reference period is better suited. Also, for an underdeveloped

economy like that of India - and Karnataka - it would seem more important to get an overall picture of the employment situation during the whole year.

Taking these factors into consideration it was felt that for the purpose of this study of unemployment in Karnataka, it would be appropriate to adopt a maximal reference period of one full year.

## METHOD AND CONCEPTS USED WHEN MEASURING UNEMPLOYMENT IN THIS STUDY

### Reference period and definitions

The reference period. The status of the labour force has been determined on the basis of data relating to one year preceding the date of enquiry. The reference period is one year.

The labour force. For the purpose of this study, all persons, both males and females, in the age-groups between 15 and 59 years have been regarded as eligible for employment. Information was gathered for all the family members of the household. Excluded from the labour force were students, disabled and mentally retarded. Thus, the labour force consists of all persons 15-59 years old exclusive of the last mentioned categories. These plus children below the age of 15 and old people, 60 years and above, make up the dependents.

This definition of the labour force is wider than the one used in either the Census or the National Sample Surveys, and, for that matter, also wider than most surveys on unemployment made in industrialized countries. One may notice for instance that all women 15-59 years old - exclusive of the categories mentioned above - have been included in the labour force. The Census of India as well as the N.S.S. define unemployment as workers or job-seekers available for work, and the labour force is made up of those and the already employed. This definition implies an activity on the part of those without employment and may be justified in an economy where there is an abundance of employment opportunities. However, in India, the fact that a person is not for the moment, or even has not for the past year been, applying for employment does not necessarily mean that he/she wants to remain without employment. This became very obvious during this investigation, i.a. when people were asked about their attitudes towards the

efficiency of the Employment Exchange services. The definition of labour force in this study, of course, results in an inclusion among the unemployed of those who are so by their own free will. Even though one might say that there is at present perhaps a greater part of women than of men who voluntarily abstain from paid work it is still difficult to distinguish between those who would do so in any circumstance and those who would readily take up work if the conditions of work and/or household were different. Were the existing conditions of the Indian labour market to decide the definition of labour force, then a considerable number of even 5-year old children would be included.

Employment, unemployment and seasonal employment. Every person in the labour force, so defined, was asked about his/her employment during the past year. If a person had been employed during more than nine months, he/she was classified as fully employed. A person who had remained unemployed, i.e. without any productive work, during the preceding year was classified as unemployed. The remaining, all those having been employed from one to nine months, were classified as seasonally employed. The seasonally employed were further sub-divided into those who had been working 1-3 months, 4-6 months and 7-9 months.

The limit for full employment, viz., more than nine months, in a sense may be considered to be on the liberal side. It was decided upon against the background of the situation in the agricultural sector surveyed. Even though a person here might have worked actively on his land for perhaps only ten or eleven months, the rest of the year was also spent in activities adjoining the household farming activities, and the person considered himself to be fully employed.

As for the hours of work, it was presumed that actual work would be a full day. Part-time work is not a problem in this respect. The category of part-time workers, e.g. those who work part-time every day during certain weeks or months, is almost non-existent in India because of the very low wages. This makes it possible for employers to employ workers regularly for full days during certain periods when there is need of that, instead of employing people part-time.

These definitions of labour force and of employment and unemployment make it possible to get a total picture of the employment potential and the employment situation for the whole year. Those capable of work-

ing make up the labour force and every person in the labour force can be classified into one of the categories: fully employed, unemployed or seasonally employed. Rates of unemployment, seasonal employment etc. can easily be obtained by relating the aggregates of each employment category to the size of the labour force.

Details about the unemployment history were also gathered during this study. All those unemployed were asked about the duration of their unemployment. Besides, every person, whether unemployed or employed, was asked to try to recall his/her employment history for the past years, up to 20 years were this was possible. All the replies obtained, of course, suffer from recall-lapse. Due to this limitation, the findings must be looked upon with great care. However, it was felt that this look into the past might enable one to understand better the problem of unemployment and seasonal employment.

Method used

In order to measure unemployment in Karnataka an interview investigation covering all the 19 districts was carried out in 1975. A sample of 6,009 households were interviewed, consisting of 34,843 household members, of which 17,353 were defined as belonging to the labour force.

The 19 districts of the State are divided into 175 taluks and each taluk consists of numerous villages of varying size both in terms of area and population. According to the Census of India, 1971, there are 26,826 inhabited villages in Karnataka and out of the total population of 29,299,014 of the State, 75.69 per cent dwell in villages.

As for towns there is a wide variation in the size of population; at one extreme there is Bangalore city proper with 1,540,741 inhabitants while at the other, there is Wadi notified area with a population of only 764. On the basis of geographical contiguity between a large town and urban areas adjacent to it, the concept of urban agglomeration has been adopted by the Census. Towns and urban agglomerations with a population of 100,000 and more have been classified as Class I Towns and are called cities in common parlance. In Karnataka there are 12 such cities/urban agglomerations and their aggregate population accounts for 51.06 per cent of the total urban population of the State.[43] Urban traits are highly accentuated in cities which function as the focal

points for population concentration. In view of these facts and the existence of a very large number of medium- and small-sized towns in the State, the present study of urban unemployment in Karnataka is confined to the urban agglomerations/cities only.

The sampling procedure chosen is such that the samples of the rural working force should be representative of the total rural labour force in Karnataka. As for the urban labour force the sample should be representative of that of the cities. When it comes to the total labour force in Karnataka, however, 12 per cent, viz. those living in all the numerous towns of varying sizes, are not represented. There seemed no practical way in which they could be included. The implication of this for the possibility of using the total sample as representative of the total labour force in Karnataka will be further discussed in Chapter V.

The sampling procedure. In Karnataka the revenue village constitutes the basic unit for administrative as well as Census purposes. Every village has a clearly defined boundary identifiable on the field and most of the statistics are built up from the village level data. As already mentioned the number of villages in the State is very large and considerable variations are also noticeable in regard to population of villages. The cities too have well defined boundaries. The urban areas are generally sub-divided into smaller territorial divisions or municipal wards with clearly demarcated limits. The population of any such ward or division, especially in a city runs into several thousands. In view of these facts a complete coverage of any selected village or any ward or division of a city is impracticable particularly when it is proposed to survey a sufficiently large number of samples spread all over the State. To obviate this difficulty and to standardise the coverage the concept of sample unit was used. The sample unit consists of 100 households.

The sampling method used is much the same as that adopted by the U.S. Census Bureau in its Population Surveys. [44] It is a multi-, i.e. in this case a two-stage-, area sample. Since this study concentrates on unemployment factors, it was felt appropriate to select sample units in proportion to the size of the age-groups who make up the labour force, i.e. those between 15 and 59 years. Further, as the sample size could not be very large, it was felt that in rural areas one unit of 100 households for a labour force of 250,000 and in urban areas (i.e.

cities) one unit för 100,000 would suffice. Thus, it was decided that the number of sample units should be 60, 44 for the rural sector and 16 for the urban.

The inter-district distribution of the 44 rural sample units was done on the basis of the relative strength of the labour force in the rural areas of the concerned districts. In other words, on the basis of the number of persons 15-59 years old in the districts it was decided how many sample units that should be allotted to each district. The required number of units were selected at random from each district and for this purpose the taluk-wise alphabetical lists of villages published in the 1971 District Census Handbooks were made use of. As for the cities, the sample units were likewise allocated proportionately to the size of the labour force. In each city the required number of units was selected from among the different wards or municipal divisions.

In some of the selected villages, the total number of households was found to be either slightly less than or slightly in excess of the stipulated size of the sample unit, that is 100 households. In all such cases, all the households in the selected village were surveyed. This, by the way, accounts for the uneven number of households surveyed, 6,009. But in most of the villages and in all the urban localities, random sampling had to be resorted to for selecting the 100 sample households from a unit. Since there are no lists of inhabitants available, this was done simply by choosing every other or every third, etc. household, dependent upon the size of the village or ward already selected at random.

In two cases, there had to be a reselection of sample units. Two villages could not be surveyed due to heavy flooding of the area. In this case two near-by villages were instead chosen. This applies to one village in Belgaum, Sutta Gatti Village and one in Raichur, Neermanvi Village.

Technique and tools. A comprehensive schedule was devised for eliciting the required information from the respondents regarding all the members of the selected households. A specimen copy of the schedule is reproduced in the appendix at the end of this book. The schedules were canvassed in the sample units by trained interviewers under my direct

supervision and guidance with a view to ensuring uniformity in approach. Each sample household was visited by the interviewer, if necessary more than once, and in the generality of cases the required information was furnished by the head of the household, that is, the eldest male member or the main bread winner of the family. In several cases information such as employment history, nature of work, registration with employment exchange etc., was directly obtained from the individual members (aged 15 and above) of the household concerned.

Besides basic demographic data in respect of all the members of the household, the schedule provides general information on household characteristics such as religion, caste, main and subsidiary occupation, extent and type of land owned and/or operated, tenancy, type and number of livestock animals reared, housing conditions, problems of unemployment and seasonal employment. This background information was quite helpful to obtain an overall idea regarding the economic condition of the household concerned.

The bulk of the rural residents are uneducated and most of them are illiterate. They do not keep any records regarding the days on which they were fully employed or the periods during which they were seasonally employed or even unemployed. Therefore to ascertain these facts, the informants were asked to memorise the details, and were patiently questioned besides given an unhurried and sympathetic hearing. In the urban areas also a similar approach was adopted regarding the households with uneducated persons and those with a rural background. Thus, adequate care was taken to ensure the accuracy of the data furnished by the informants. The informants were also encouraged to think about and offer their suggestions if any with regard to creation of more employment opportunities in their midst.

In the chapters that follow the results of the field enquiry are analysed first in respect of urban and rural areas separately and then in respect of both the areas so as to obtain a general picture regarding the unemployment situation prevailing in Karnataka.

## Chapter III

## EMPLOYMENT AND UNEMPLOYMENT IN URBAN KARNATAKA

### GENERAL

The urban population of Karnataka as recorded at the 1971 Census was 7,122,093 or 24.31 per cent of the total population. The number of cities has increased from 1 in 1901 to 12 in 1971. As explained in Chapter II, 16 sample units from cities or urban agglomerations were selected for estimating the magnitude of unemployment in urban areas and for analysing the factors associated with the problem of unemployment. Altogether 1,627 households were surveyed.

At the outset it would be pertinent to indicate some important characteristics of these households. The total number of members belonging to these households is 9,840. The average size of a household is therefore 6.05 which is slightly more than the average of 5.8 for the state. Religion-wise grouping of these households shows that the Hindus constitute 56.30 per cent, the Muslims 39.03 per cent and the Christians 4.67 per cent. The Hindus are divided into numerous castes arranged in a social hierarchical order and those in the lower rungs have for generations been subjected to economic discrimination as well. Taking note of this reality, the Government of India long ago classified such castes as "Scheduled Castes". [1] Over the past 30 years the Government has been extending economic assistance to these "Scheduled Castes" so that they would gradually be able to improve their socio-economic status. The Constitution of India provides for certain political safeguards and also extends special privileges to this group. Thus, among Hindus there are two groups those belonging to Scheduled Castes and the others. Accordingly, out of the 1,627 households, 15.06 per cent belong to the category of Scheduled Castes and 41.24 per cent to the other castes.

Most of the urban households depend upon non-agricultural sources of livelihood. In the sample only 1.7 per cent own agricultural land and the average extent of land owned per land-owning household is 2.95 hectares (slightly more than 7 acres). 4.5 per cent of the households were found to be rearing livestock (including poultry) during this survey. The urban economy in Karnataka is based on the secondary and ter-

tiary sectors of the economy i.e., industrial, construction, trade and service activities.

The economic condition of the urban households as reflected by the conditions of their dwellings is not very impressive. Of the household surveyed, 34 per cent own their own houses and the remaining 66 per cent live in rented houses. Only 44 per cent of the households reside in houses provided with electricity, and only 35 per cent in such provided with lavatries. The size of the dwellings are on the whole small; 35 per cent have only one room, another 53 per cent two rooms. The housing conditions may be further visualized from the following facts: 60 per cent of the houses have tiled roofs, 16 per cent cement roofs, 14 per cent mud roofs, 7 per cent thatched roofs (of grass, leaves etc.) and 3 per cent roofs of other material like stone slabs, zinc sheets etc.

## THE EMPLOYMENT POSITION

### Labour force

A classification of the sample population by age-groups shows that 46.46 per cent are children (0-14 years); 47.82 per cent are adolescents, young and middle aged adults (15-59 years), and the remaining 5.72 per cent are old (60 years and above).

Among the children and the old persons it is quite likely that a few are economically active. For purposes of this study the proportion of such workers is assumed to be negligible. In this study of unemployment persons aged 15-59 years alone are considered. They constitute the working force, or labour force. (Hereafter used synonymously). As already stated, only 47.82 per cent belong to this category, the rest being either children or old.

### Unemployment, seasonal employment and full employment

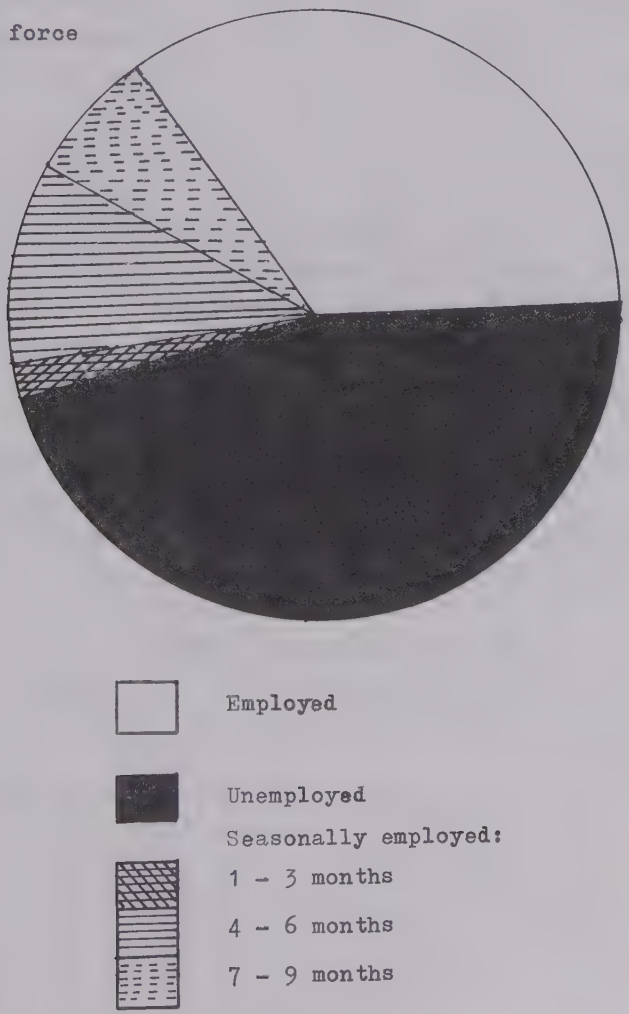
This investigation shows that of this labour force 34.4 per cent are fully employed, 18.7 per cent seasonally employed and 46.9 per cent unemployed. A little less than one-half of the urban labour force in Karnataka is thus unemployed.

## Seasonal employment by duration

The seasonally employed may be categorised according to the duration of their employment. All those who were employed for more than 9 months during the reference year have been regarded as fully employed. Therefore, the seasonally employed may be grouped as follows: those who were employed for (a) 1-3 months (b) 4-6 months and (c) 7-9 months. According to this study 6.1 per cent of the seasonally employed belong to 1-3 months category, 57.7 per cent belong to 4-6 months category and 36.2 per cent belong to 7-9 months category. Thus, a major portion of the seasonally employed are engaged in work for a period of 6 months or less in a year.

Figure 1.

Urban labour force



## Occupational pattern

Depending upon the nature of work done, all the employed persons, including the seasonally employed, may be broadly classified into the below mentioned five categories:

(1) Technical and professional (includes skilled industrial workers, artisans, doctors, lawyers etc.) (2) Non-technical (includes unskilled and semi-skilled workers, clerical workers, primary and secondary teachers, salesmen etc.) (3) Cultivator (4) Small cultivator and labourer (5) Agricultural labourer. According to this scheme of classification, the findings of this survey show that in urban Karnataka 45.1 per cent of the fully and seasonally employed persons belong to the technical and professional category while another 50.7 per cent belong to the non-technical group of occupations. These two non-agricultural categories thus account for 96 per cent of the employed persons. It is also found that the cultivators form only 1.5 per cent, the agricultural labourers constitute 2.6 per cent and that the mixed class of small cultivator and labourer account for a negligible proportion of 0.1 per cent. These results are in conformity with one's expectations regarding the economy of modern urban areas, especially of those with more than 100,000 inhabitants.

## Burden of dependency

The children and the old persons are by and large economically inactive and depend upon the persons in the working age-group (15-59) for their livelihood. The relationship between such dependents and those capable of working is expressed as follows: [2]

$$\text{Dependency Ratio} = \frac{(\text{Number of persons 0-14 years}) + (\text{Number of persons 60 and above})}{(\text{Number of persons 15-59 years})} \times 100$$

Accordingly, the dependency ratio for urban Karnataka is 109. In simple language, "for every 100 persons capable of working and earning a living there are 109 persons in addition to be taken care of". This ratio varies among the urban areas depending upon the age composition of their respective populations at any given point of time. Some idea regarding the range of variation may be had from the following very low and very high figures: Mangalore (79), Belgaum (125). The dependency ratio for Bangalore is 109 which coincides with the average for urban Karnataka.

The present study discloses that a significant proportion of persons in the 15-59 age-group do not engage themselves in economically productive work. In other words, the burden of dependency is borne not by all those who are capable of working but by only some among them. According to this study, only 53 per cent of the 4,705 persons in the 15-59 age-group are either fully or seasonally employed. Thus, for every 100 employed persons there are 293 dependents. Such a ratio of the employed to the dependents reflects the true burden of dependency. This is also subject to a wide variation among urban areas: the lowest ratio is 202 (Hubli-Dharwar and Mangalore), and the highest is 373 (Belgaum) followed by 345 (Bhadravati) and Gulbarga (334). This ratio of true dependency and unemployment are directly linked to each other: the higher the proportion of the unemployed the greater the true burden of dependency.

## EMPLOYMENT POSITION BY RELIGIOUS GROUPS AND SCHEDULED CASTES

Among the persons belonging to the working age-group of 15-59, the Hindus constitute 53.1 per cent (10 per cent Scheduled Castes and 43.1 per cent other Hindus), the Muslims account for 41 per cent and the Christians, for the remaining 5.9 per cent. The picture becomes clearer if each religious group is examined separately by the three employment categories. The relevant details are furnished in Table III:1.

Table III:1. Percentage distribution of the labour force of each religious group according to employment category

| Employment category | Percentage distribution among | | | | Total labour force |
|---|---|---|---|---|---|
| | Hindus | | Muslims | Christians | |
| | Scheduled Castes | Others | | | |
| 1. Fully employed | 30.9 | 37.9 | 31.1 | 37.9 | 34.4 |
| 2. Seasonally employed | 27.9 | 17.7 | 18.8 | 10.1 | 18.7 |
| 3. Unemployed | 41.2 | 44.4 | 50.1 | 52.0 | 46.9 |
| All categories (total) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Among Hindus, the Scheduled Castes appear to be placed in a better position in so far as unemployment is concerned. The rate of unemployment is considerably lower than the average for the labour force. However, they have the lowest rate of full employment coupled with a high rate of seasonal unemployment. The members of this group have by tradition been confined to menial labour. Their general economic conditions are very much below the average. As a group they have for generations been facing the problems of poverty, illiteracy, denial of equal opportunity and other social and economic discrimination. These people therefore readily accept seasonal employment or full employment mostly as manual labourers. The average earnings of even a fully employed manual labourer are quite low.

The rate of unemployment among Christians, namely 52 per cent, is the highest if compared to other religious groups. However, the proportion of the fully employed is also quite high. Consequently, those engaged in seasonal employment constitute 10.1 per cent which is comparatively very low. Part of this phenomenon may be attributed to the better socio-economic background of Christians in general. The rate of literacy and the level of educational attainments are, broadly speaking, higher as compared to the other communities. Further, many among them would not take up manual labour as casual workers in view of their family traditions. Thus, they rather stay unemployed than take up some seasonal employment, especially as manual labourers.

When compared with other religious groups, the Muslim community with an unemployment rate of 50.1 per cent, ranks second. Social custom and tradition among Muslims enjoin their womenfolk to observe the Purdah [3] system, as a result of which very few women take up outdoor jobs. Social custom, therefore, appears to be one of the factors that inflate the rate of unemployment among Muslims as compared to other religious groups. The proportion of the fully employed among Muslims, which is 31.1 per cent, is low and almost equal to that among the Scheduled Castes. The rate of seasonal employment is almost the same as the average for all religious groups. The Muslims, whether educated or uneducated, would generally be ready to take up any kind of petty jobs especially in the line of small business and self-managing occupations.

This analysis shows that when comparing the rates of unemployment and seasonal employment among various religious or ethnic groups in Karnataka, attention must also be given to social customs and traditions of the concerned groups. In the case of Scheduled Castes, these factors play a role in explaining the somewhat lower than average rate of unemployment and the high rate of seasonal employment. In the case of Muslims, the very same factors have caused a higher rate of unemployment and among Christians a very low rate of seasonal employment.

## EMPLOYMENT POSITION BY SEX AND AGE-GROUPS

### The employment position by sex

Sexwise break up of the three categoriss of the total labour force is shown in Table III:2.

In the categories of fully employed and seasonally employed the male components are considerably higher as compared to the corresponding female components: the male - female ratios being 9:1 and 3:1 respectively. In the case of the unemployed category, the position is altogether different. Evidently the rate of unemployment is quite high among women, for the ratio between males and females is 1:5.

If the male labour force is examined separately, it is seen that the fully employed and the seasonally employed constitute 58.4 per cent and 26.3 per cent respectively, while the unemployed account for 15.3 per cent. But in the case of the female labour force the fully employ-

Figure 2.

Urban male labour force

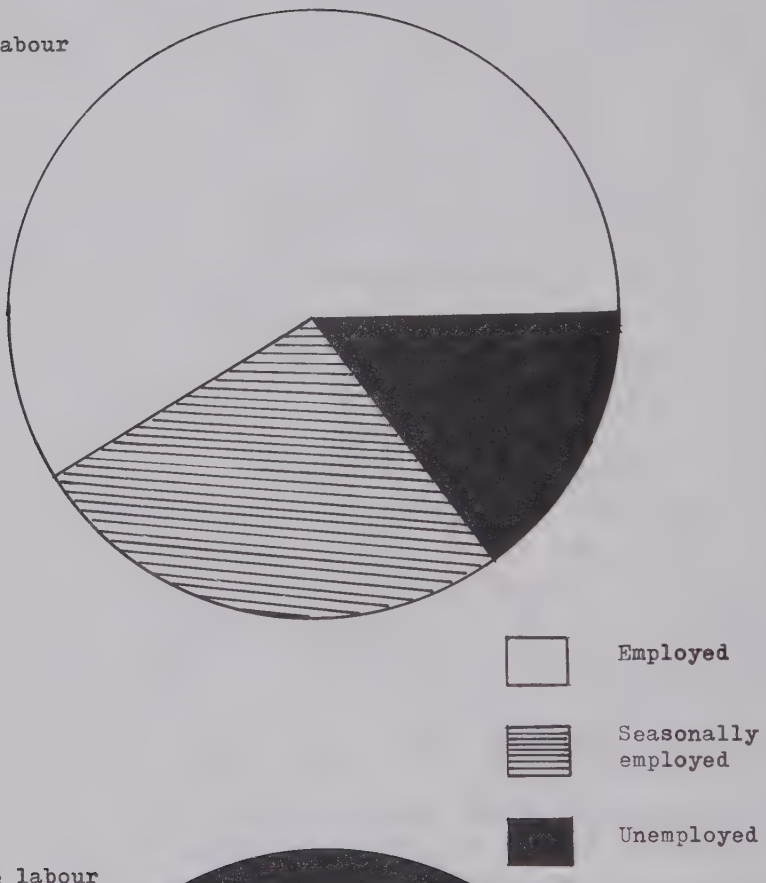



Figure 3.

Urban female labour force

Table III:2. Sexwise components of labour force by employment category in urban Karnataka
(Percentage)

| Employment category | Total | Male Component | Female Component |
|---|---|---|---|
| 1. Fully employed | 34.4 | 31.1 | 3.3 |
| 2. Seasonally employed | 18.7 | 14.0 | 4.7 |
| 3. Unemployed | 46.9 | 8.1 | 38.8 |
| All categories (total) | 100.0 | 53.2 | 46.8 |

ed and the seasonally employed form only 7.1 per cent and 10.1 per cent respectively, in contrast to the unemployed who constitute as much as 82.7 per cent. The major bulk of the womenfolk who are unemployed would take up occupations like domestic work which includes cooking, looking after the children and old people etc., which does not give any monitory benefit. Among men in the working age-group of 15-59 every seventh person is unemployed. In contrast, among women in the 15-59 age-group 5 out of every 6 are unemployed.

It becomes evident from Table III:2, that among the unemployed the females constitute 82.7 per cent and the males 17.3 per cent; of the seasonally employed, males account for 74.7 per cent and females 25.3 per cent; and finally, as for the employed 90.4 per cent among them are men and 9.6 per cent are women. The findings of this study indicate that unemployment is widely prevalent in urban Karnataka among both men and women of the 15-59 age-group. The magnitude of unemployment among females is five times as high as that among males. Seasonal employment, which in reverse terms means seasonal unemployment, exists side by side and aggravates the problem of unemployment.

The employment position by age and sex

For purposes of analysis the labour force is divided into five age-groups, each with an interval of 9 years. The age-group details given in Table III:3 permit a better comparison of the rates of unemployment.

Table III:3. Percentage distribution of the total labour force by age-groups and sex

| Age-groups | Percentage distribution in the Total labour force | Male labour force | Female labour force |
|---|---|---|---|
| Broad group 15-59 years | 100.0 | 100.0 | 100.0 |
| 15-23 | 21.6 | 17.6 | 26.2 |
| 24-32 | 30.1 | 26.1 | 34.7 |
| 33-41 | 23.0 | 27.3 | 18.0 |
| 42-50 | 13.9 | 14.9 | 12.7 |
| 51-59 | 11.4 | 14.1 | 8.4 |

The age-group of 33-41 constitutes the largest group in the male labour force followed by the 24-32 age-group. The sexwise data show that unlike among males, there is a preponderance of younger persons among females. Those below the age of 33 constitute about 61 per cent whereas their counterparts among males form only 44 per cent. This difference in the age-group composition has its own impact in the incidence of unemployment, for as will be shown shortly unemployment is prevalent to a greater extent among females and also among the younger sections of the population. The proportion of the female labour force in the oldest age-group of 51-59 is only 8.4 per cent which is less than that of the male labour force of the corresponding age-group, 14.1 per cent. Thus, this study discloses that in urban Karnataka the male labour force contains a relatively higher proportion of men in the higher age-groups and that the female labour force in contrast has a significantly larger proportion of younger women.

Age-group composition of persons in each of the three employment categories is set out in Table III:4.

Table III:4. Percentage distribution of the fully employed, seasonally employed and the unemployed by age-groups

| Age-groups | Fully employed | Seasonally employed | Unemployed | Total labour force |
|---|---|---|---|---|
| Broad group 15-59 years | 100.0 | 100.0 | 100.0 | 100.0 |
| 15-23 | 13.9 | 18.6 | 28.4 | 21.6 |
| 24-32 | 28.0 | 25.7 | 33.6 | 30.1 |
| 33-41 | 28.4 | 29.1 | 16.5 | 23.0 |
| 42-50 | 17.1 | 15.5 | 10.8 | 13.9 |
| 51-59 | 12.6 | 11.1 | 10.7 | 11.4 |

A glance at Table III:4, shows that among the fully employed those in the higher age-groups of 33 + have a greater representation than their share in the total labour force. Almost a similar situation is noticeable among the seasonally employed. The unemployed group is composed of a greater proportion of the younger persons. Though the share of those in the 15-23 age-group in the total labour force is only 21.6 per cent, among the unemployed they form 28.4 per cent, that is about 31 per cent more than their expected share. In the 24-32 age-group this disparity is not marked to such an extent and the over-representation among the unemployed is by only 11 per cent of their legitimate share. These disparities appear in sharper focus if sexwise details are analysed for each employment category and also separately for each group.

In Table III:5 the distribution of persons is clearly set out for each age-group by sex and according to employment category. It is seen that the rate of unemployment varies considerably among the various age-groups and between males and females.

From Table III:2, already presented, it may be seen that the males and females constitute 53.2 per cent and 46.8 per cent respectively of the total labour force. This sex-wise composition is not the same for each one of the five age-groups considered in Table III:5. As a result of

Table III:5. Percentage distribution of persons in each age-group by employment category

| Age-group | Percentage distribution by employment category among | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Males | | | | Females | | | | Total labour force | | | |
| | F.E. | S.E. | U. | Total | F.E. | S.E. | U. | Total | F.E. | S.E. | U. | Total |
| Broad group 15-59 | 58.4 | 26.3 | 15.3 | 100.0 | 7.1 | 10.1 | 82.8 | 100.0 | 34.4 | 18.7 | 46.9 | 100.0 |
| 15-23 | 45.0 | 25.9 | 29.1 | 100.0 | 4.8 | 8.7 | 86.5 | 100.0 | 22.2 | 16.1 | 61.7 | 100.0 |
| 24-32 | 60.3 | 24.6 | 15.1 | 100.0 | 7.6 | 8.7 | 83.7 | 100.0 | 31.9 | 16.0 | 52.1 | 100.0 |
| 33-41 | 62.5 | 30.5 | 7.0 | 100.0 | 8.3 | 12.1 | 79.6 | 100.0 | 42.6 | 23.7 | 33.7 | 100.0 |
| 42-50 | 67.4 | 26.5 | 6.1 | 100.0 | 8.9 | 13.6 | 77.5 | 100.0 | 42.4 | 20.9 | 36.7 | 100.0 |
| 51-59 | 54.2 | 21.8 | 24.0 | 100.0 | 6.5 | 11.4 | 82.1 | 100.0 | 37.9 | 18.2 | 43.9 | 100.0 |

F.E.: Fully employed S.E.: Seasonally employed U.: Unemployed

this disparity in sex-ratio the rates of employment and unemployment separately calculated for males, females, and total labour force may not occupy the same ranking among the five age-groups.

It is obvious from Table III:5 that the rate of unemployment for the total labour force is highest for the youngest age-group, those 15-23 years old and second highest for the next age-group, those 24-32 years old. Evidently, unemployment is prevalent to a greater extent among the youngsters than among the middle-aged persons. In the case of the latter the rates of full employment and seasonal employment are comparatively higher.

Male labour force. The average rates of full employment, seasonal employment and unemployment for the male labour force are 58.4 per cent, 26.3 per cent and 15.3 per cent, respectively. Table III:5 highlights the variation in these rates for different age-groups. It may be noticed that the rate of unemployment is the lowest, namely 6.1 per cent, for the 42-50 age-group. Significantly enough this same age-group has the highest rate of full employment, 67.4 per cent, and the rate of seasonal employment is just about the average for total males. This age-group accounts for 14.9 per cent of the male labour force. The age-group next below, that is, 33-41 years, which constitutes 27.3 per cent of the male labour force, exhibits a similar phenomenon of a low rate of unemployment and a high rate of full employment. In regard to seasonal employment, the rate, 30.5 per cent, recorded for this age-group, is the highest for any of the five age-groups under consideration.

The oldest persons in the labour force, those in the age-group 51-59 years, have a comparatively low rate of full employment, the lowest rate of seasonal employment of all age-groups, and a high rate of unemployment. The contribution of this age-group to the total male labour force is, however, 14.1 per cent only. The highest rate of unemployment, 29.1 per cent, and also the lowest rate of full employment, 45 per cent, is found in the youngest age-group of 15-23 years old which forms 17.6 per cent of the male labour force. For this age-group the rate of seasonal employment is about average. The rate of unemployment is just about average for the next age-group of 24-32 years and it is noteworthy that this age-group accounts for 26.1 per cent of the male labour force.

It is evident from the foregoing that unemployment is prevalent to a greater extent among the youngest males, especially those in the 15-23 years age-group. The rate of unemployment is also high in the oldest age-group, 51-59 years. But there is a considerable extent of unemployment also among those 24-32 years old. The very hard competition in the urban labour market renders it difficult for young workers with less qualifications and experience than older ones to find full time jobs. As for the oldest age-group, 51-59 years, the reasons for the high rate of unemployment may be found in the fact that the age of retirement for State employees is 55 years, for Central Government employees 58 years. In several public and private factories also workers retire around the age of 58. In urban areas a large proportion of the labour force is to be found in such employment. As a result, several men are rendered unemployed after their 55th or 58th year. Some among them seek re-employment under private agencies for temporary periods. Some get monthly pensions and accept the enforced idleness. Others, on the other hand, become totally dependent on their children. In India, and thus also in Karnataka, the traditional values are quite strong and the sons deem it their duty to look after the needs of their aged parents. This in a way encourages voluntary unemployment, especially among those above 55 years of age.

The female labour force. The picture of the rates of employment and unemployment among the different age-groups of the female labour force very much resembles that for the male labour force, although on a different scale. Among females also the highest rate of full employment is represented by the middle-aged, that is the 42-50 age-group followed by the age-group of 33-41. The youngest and the oldest have the lowest and the second lowest rates of full employment. The two age-groups of 42-50 and 33-41 which have the highest rates of full employment have the highest rates of seasonal employment as well, namely 13.6 per cent and 12.1 per cent. As a consequence these two age-groups have the lowest rates of unemployment. Since the rate of seasonal employment is relatively higher than the average in the 51-59 age-group, the rate of unemployment for this age-group is just about the average of 82.8 per cent.

Unlike males, the female labour force of each age-group has a consistently higher rate of seasonal employment than full employment. Perhaps the urban female labour force is moving from the realm of un-

employment to full employment through the transient phenomenon of seasonal employment.

In general terms it may be stated that among the womenfolk of urban Karnataka the rate of unemployment is high irrespective of their age-differentials though one may notice that it is higher for the youngest persons. Social factors such as the status of women in society, the traditional belief that home is the proper place for women etc., seem to be responsible for such a state of affairs. Those who are fully employed account for an insignificant 7 per cent and those who are seasonally employed form only 10 per cent of the total female labour force. It is interesting to note that seasonal employment is more pronounced among the middle-aged women. In the urban milieu the organised sector, as represented by government offices and institutions, large business and commercial establishments and factories, is much more important than agriculture, animal husbandry and household industry which constitute the unorganised sector. As a result, women who seekfull employment should be ready to work between fixed hours in an office or a factory and be away from home for long hours. The low rate of full employment among women indicates either that they do not have enough employment opportunities or that they are by and large not inclined to take up jobs which require them to be away from home for hours at a stretch.

## UNEMPLOYMENT - A HISTORICAL PERSPECTIVE

In order to analyse the trends in unemployment, persons belonging to the age-group of 25-59 were requested to recollect and narrate whether they were unemployed, seasonally employed or fully employed during the years 1965 (that is 10 years ago), 1960 (that is 15 years ago) and 1955 (that is 20 years ago). As one moves back over a period of time naturally the number of persons who could provide an answer to this query gets reduced. As on the date of survey (1975) all those aged below 25 years could not answer for the year 1965 because at that time they were all children. Those who were above 35 years were able to respond with their unemployment history chronologically from the year 1955.

Table III:6. Comparative statement showing percentage distribution of the labour force by sex and employment category during the years 1955, 1960, 1965 and 1975

| Employment category | Percentage distribution by sex/among males and females, during the year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1955 | | | 1960 | | | 1965 | | | 1975 | | |
| | T | M | F | T | M | F | T | M | F | T | M | F |
| a) i) Fully employed | 40.5 | 37.3 | 3.2 | 39.9 | 36.8 | 3.1 | 37.3 | 33.6 | 3.7 | 34.4 | 31.1 | 3.3 |
| ii) Seasonally employed | 22.5 | 17.7 | 4.8 | 21.5 | 16.2 | 5.3 | 19.8 | 15.2 | 4.6 | 18.7 | 14.0 | 4.7 |
| iii) Unemployed | 37.0 | 3.1 | 33.9 | 38.6 | 3.4 | 35.2 | 42.9 | 4.8 | 38.1 | 46.9 | 8.1 | 38.8 |
| Total | 100.0 | 58.1 | 41.9 | 100.0 | 56.4 | 43.6 | 100.0 | 53.6 | 46.4 | 100.0 | 53.2 | 46.8 |
| b) i) Fully employed | 40.5 | 64.2 | 7.5 | 39.9 | 65.2 | 7.2 | 37.3 | 62.6 | 8.0 | 34.4 | 58.4 | 7.1 |
| ii) Seasonally employed | 22.5 | 30.5 | 11.6 | 21.5 | 28.8 | 12.2 | 19.8 | 28.4 | 10.0 | 18.7 | 26.3 | 10.1 |
| iii) Unemployed | 37.0 | 5.3 | 80.9 | 38.6 | 6.0 | 80.6 | 42.9 | 9.0 | 82.0 | 46.9 | 15.3 | 82.8 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Number of respondents | 2024 | 1176 | 848 | 2670 | 1505 | 1165 | 3485 | 1868 | 1617 | 4705 | 2505 | 2200 |

T: Total M: Male F: Female

As on the date of survey the labour force consisted of 4,705 persons. Out of them 3,485 could provide answers for the year 1965, the others being below 15 years of age at that time. Likewise 2,670 persons and 2,024 persons could provide answers for the years 1961 and 1955 respectively. Such persons, when classified according to employment category have, for purposes of the present analysis, been assumed to represent the distribution of the entire labour force of that period. Moreover, the replies furnished suffer to some extent by recall lapse and may therefore to taken at best to indicate the general trends rather than in-controvertible facts. The following is therefore of an exploratory nature.

The relevant data are set out in Table III:6 in such a manner as to permit an easy comparison of the rates for the different points of time. There are two sets of data: (a) distribution of the total, male and female labour force by each employment category and, (b) distribution among the employment categories of the total, male and female labour force separately (each equated to 100).

A glance at the set of data in the table III:6 would show that there has been a gradual deterioration in the employment situation over the past 20 years and that there has been a gradual increase in the rate of unemployment. The assumptions underlying such an inference are that the respondents have recollected the details and reported the same correctly and also that the respondents for any particular period represent by and large the general trend in the overall labour force of that period.

TRENDS IN LONG TERM UNEMPLOYMENT

All those who were unemployed during the period of the survey were asked to state the duration of their unemployment (that is, since how long they have been unemployed). Admittedly the duration of unemployment is linked with the age of the respondent. To illustrate, a young man of 18 years can not be "unemployed" for a duration exceeding 3 years because of the fact that he can be considered as eligible to take up work only on attainment of his 15th year. Similarly only those aged 30 years and above could answer for the 15 years duration (that is the maximum limit). These limitations are to be borne in mind while examining the data furnished in Table III:7 which is given below:

Table III:7. Distribution of the unemployed by duration of unemployment

| Duration range | Percentage distribution among | | | Percentage distribution separately among | |
|---|---|---|---|---|---|
| | Total unemployed | Male component | Female component | Male unemployed | Female unemployed |
| Over 20 years | 30.3 | 2.3 | 28.0 | 13.3 | 33.9 |
| 16-20 years | 12.1 | 1.5 | 10.6 | 8.4 | 12.9 |
| 11-15 years | 16.7 | 2.5 | 14.2 | 14.6 | 17.1 |
| 6-10 years | 20.4 | 4.6 | 15.8 | 26.1 | 19.2 |
| 5 years and less | 20.5 | 6.5 | 14.0 | 37.6 | 16.9 |
| All durations | 100.0 | 17.4 | 82.6 | 100.0 | 100.0 |

Those who have remained without employment for over 20 years constitute a very high proportion of the total. In this group of unemployed persons the female component is predominant: for every male there are roughly 12 females.

The details in columns 5 and 6 emphasise the sexwise differences with greater clarity. The unemployed labour force is composed of a high proportion of females. One third of the unemployed females have been without employment for over 20 years and about 36 per cent have been unemployed for a shorter duration of 10 years or less. In contrast only about one-eighth of the male unemployed are in the "20 years and over" range while a little more than one-fifth belong to the 10-20 years range and nearly two-thirds are accounted for by the range "10 years or less". Obviously, among the unemployed in urban Karnataka, women are affected to a greater extent by chronic long term unemployment than men. The chances of men securing employment after a relatively shorter duration of waiting and efforts appear to be better as compared to those of their female counterparts.

## THE EMPLOYMENT POSITION IN DIFFERENT URBAN CENTRES

The rates of unemployment, seasonal employment and full employment, respectively, vary considerably from one urban area to another with regard to both the male and female labour force. Although it must be remembered that the significance of these figures is less than those for the total sample, there are certain features that coincide with what can be found out about the economy of these cities.

Hubli-Dharwar for instance, where the rate of unemployment is fairly low and the rate of full employment is rather high - this goes for both the male and the female labour force although on a different scale - is a renowned centre of trade and commerce as well as of administration and higher education. Bellary where the rates are similar, particularly for the male labour force, is also an administrative and educational centre. Thanks to the Tungabhadra irrigation canal network, there is also a great demand for workers of different grades and skills in industries and in the agricultural area immediately surrounding the city.

The figures for Davanagere show, with regard to both the male and female labour force, a low rate of unemployment but a rate of full employment below the average. Here seasonal employment is high. This goes for Shimoga as well. In Davanagere and its immediate neighbourhood there are a number of industries, like textile mills, oil mills and cotton gins, which offer more employment during certain seasons of the year. Agriculture is also of some importance and around 6 per cent of the employed persons are agricultural labourers in the surrounding agricultural areas. In Davanagere, the intensity of the trading activity also varies as it is closely linked with agricultural products most of which are seasonal. As for Shimoga, which is located in the Malnad (hilly and heavy rainfall region), its surrounding area is well known for areca plantations and paddy cultivation and the city is the marketing centre for these products. In recent years, consequent of the Tunga irrigation project, large areas around the city have been provided with irrigation facilities which have improved agriculture. There is a fairly large amount of sugar cane cultivation in the area and as a result, the demand for labour in sugarcanecrushing and gur making are important. Most of these activities are seasonal in character and account for the high overall rate of seasonal employment.

Table III:8. Unemployment rate among different urban areas

(Cities arranged in descending order of the unemployment rate in the total labour force)

| Name of urban area | Percentage distribution of labour force by employment category among | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total labour force | | | | Male labour force | | | | Female labour force | | | | |
| | F.E. | S.E. | U. | Total | F.E. | S.E. | U. | Total | F.E. | S.E. | U. | Total | |
| 1. Gulbarga | 29.7 | 16.5 | 53.8 | 100.0 | 51.0 | 26.2 | 22.8 | 100.0 | 6.7 | 6.0 | 87.3 | 100.0 | 1 |
| 2. Belgaum | 33.1 | 14.3 | 52.6 | 100.0 | 60.5 | 26.1 | 13.4 | 100.0 | 4.1 | 2.0 | 93.9 | 100.0 | 2 |
| 3. Bangalore | 38.5 | 9.9 | 51.6 | 100.0 | 68.6 | 16.8 | 14.6 | 100.0 | 4.4 | 2.1 | 93.5 | 100.0 | 3 |
| 4. Bhadravathi | 27.6 | 21.1 | 51.3 | 100.0 | 52.5 | 33.5 | 14.0 | 100.0 | - | 7.4 | 92.6 | 100.0 | 4 |
| 5. Mangalore | 31.1 | 21.4 | 47.5 | 100.0 | 35.1 | 26.4 | 38.5 | 100.0 | 6.1 | 19.3 | 74.6 | 100.0 | 5 |
| 6. Bijapur | 32.9 | 20.8 | 46.3 | 100.0 | 53.4 | 31.6 | 15.0 | 100.0 | 6.0 | 6.8 | 87.2 | 100.0 | 6 |
| 7. Mysore | 25.8 | 30.4 | 43.8 | 100.0 | 42.6 | 34.7 | 22.7 | 100.0 | 5.7 | 25.1 | 69.2 | 100.0 | 7 |
| 8. Kolar Gold Fields | 36.5 | 19.8 | 43.7 | 100.0 | 56.0 | 26.4 | 17.6 | 100.0 | 3.2 | 8.6 | 88.2 | 100.0 | 8 |
| 9. Bellary | 44.2 | 13.3 | 42.5 | 100.0 | 74.8 | 18.1 | 7.1 | 100.0 | 10.1 | 7.9 | 82.0 | 100.0 | 9 |
| 10. Shimoga | 18.7 | 42.2 | 39.1 | 100.0 | 34.0 | 55.1 | 10.9 | 100.0 | 2.1 | 28.0 | 69.9 | 100.0 | 10 |
| 11. Davanagere | 30.7 | 33.1 | 36.2 | 100.0 | 55.5 | 38.3 | 6.2 | 100.0 | 4.9 | 27.6 | 67.5 | 100.0 | 11 |
| 12. Hubli-Dharwar | 48.8 | 15.5 | 35.7 | 100.0 | 73.6 | 17.6 | 8.8 | 100.0 | 23.1 | 13.3 | 63.6 | 100.0 | 12 |
| Urban total | 34.4 | 18.7 | 46.9 | 100.0 | 58.4 | 26.3 | 15.3 | 100.0 | 7.1 | 10.1 | 82.8 | 100.0 | |

F.E.: Fully employed S.E.: Seasonally employed U.: Unemployed

Mangalore, which has the highest rate of male unemployment recorded for any urban area and a fairly high rate of female seasonal employment, is a coastal city where fishing and associated activities offer job opportunities during peak seasons only. From June to August this region receives very heavy rainfall, and the sea is also rough for four to five months a year. Agricultural activities are of considerable importance in and around the city. The industrial establishments in the city, e.g. coffee and cashew nut curing units and, Beedi (Indian cigarette) rolling units also mostly offer seasonal employment, to both men and women. In Mangalore, one is likely to find persons who engage themselves in several types of seasonal acitivities. Gulbarga which has the highest rate of overall unemployment is an adiministrative and educational centre in a backward region of the state and has no large industrial units. In view of its local importance, however, it attracts rural migrants who further aggravate the employment problem.

## UNEMPLOYMENT AND THE ROLE OF EMPLOYMENT EXCHANGES

The Employment Exchanges located in various parts of the State and run by the Government, constitute a major source of information on unemployment. On the basis of the statistics available from them the volume of unemployment at any given point of time may be assessed and from their placement registers an assessment can also be made of the services rendered by the agency to the society at large. In Karnataka it is not obligatory on the part of every unemployed person to register his or her name with the Employment Exchange. On the other hand there is no bar on those in employment in registering their names with a view to improving their prospects. [4] Thus, these statistics would at best indicate general trends rather than precise figures regarding the magnitude of unemployment.

Regarding the role of Employment Exchanges information was gathered from the unemployed as well as the employed persons covered during the survey. The labour force in the urban areas is relatively more educated and may also be credited with a greater measure of awareness. As compared to their rural counterparts they enjoy better facilities. Despite such a situation, this study discloses that the urban labour force is not favourably disposed towards the functioning of the Employment Exchanges. In the urban labour force the educated constitute

almost 41 per cent. The magnitude of unemployment among the educated may be visualised from the fact that about 69 per cent of the educated labour force remained unemployed during the reference period of this survey. If the category of the unemployed labour force alone is considered, the educated among them account for about 60 per cent. In spite of this preponderance of educated persons, it was found that hardly 14 per cent of the educated unemployed had registered their names with the Employment Exchanges. If the entire category of unemployed persons is examined those who answered in the affirmative regarding registration constitute only 8 per cent. With reference to the total number of educated persons in the total urban labour force the proportion of the registrants would be 9 per cent.

Apart from the group of currently registered persons another group, representing those who had once registered but subsequently failed to keep their registration alive by periodical renewals, was also met with. The proportion of such persons with reference to the educated unemployed comes to 15 per cent. Such persons form about 9 per cent of the unemployed category and 10 per cent of the total number of educated persons in the entire urban labour force. A very large proportion of the educated unemployed (about 70 per cent) expressed a lack of confidence in the efficient functioning of the Employment Exchanges and were quite indifferent to utilise that agency for securing employment. If the total educated labour force is considered the proportion of such persons who lack confidence moves up to about 80 per cent. A certain section of the educated employed did not register with the Employment Exchanges because they felt that there was no possibility of their getting a job in the profession they preferred. Strange as it may appear, the findings of the study indicate that only three persons in the entire sample reported that they had secured their jobs through the Employment Exchange. With reference to the educated employed category these persons constitute much less than even one per cent, and if considered with reference to the entire group of employed persons they account for an infinitesimally small proportion.

## Chapter IV

## EMPLOYMENT AND UNEMPLOYMENT IN RURAL KARNATAKA

### GENERAL

The estimation of the magnitude of unemployment in rural Karnataka is based on data relating to 44 sample units located in different parts of the state. The study covers 4,382 households having 25,003 members. The average size of a rural household is thus 5.7 persons. Out of these sample households 88.61 per cent belong to the Hindu religion; the "Scheduled Castes" form 33.99 per cent and the "other Hindus" 54.62 per cent. 11.01 per cent belong to the Islam religion and the remaining 0.38 per cent to the Christian religion.

The rural economy is mainly based on agriculture and allied activities like animal husbandry, fishing etc. In the sample households 47.2 per cent own agricultural land and the average extent of land per land-owning household is 2.7 hectares (6.75 acres). The mean for all the land-owning households is 1.2 - 2 hectares. The difference between the religious groups with regard to land-owning is quite large. Thus, none of the Christian households own their own land, of the Muslim households 27 per cent own land, of the Scheduled Castes 36 per cent, and of the rest of the Hindus 59 per cent, do so. Animal husbandry was reported in 44.7 per cent of the households and on an average each such household had 5.2 head of livestock animals. The animals generally raised in villages are cows, bullocks, goats and sheep, buffaloes, poultry and pigs in that order.

The housing conditions in rural Karnataka are much below the expected standards. Most of the houses are lacking basic amenities like electricity and drinking water-supply. Only 12 per cent of the households have electricity. As for the size of the dwellings, 40 per cent have one room, 45 per cent two rooms and only 15 per cent 3 or more rooms. A classification of the sample households according to the predominant materials used in the construction of the houses in which they dwell reveals the following position: 45 per cent live in houses with tiled roofs; 34.3 per cent live in thatched huts;

16.8 per cent dwell in houses with mud roofs; 3.3 per cent live in houses with roofs of stone slabs and only 0.6 per cent reside in houses with cement roofs. As regards ownership of dwellings, it is found that 83 per cent own their houses, the rest dwell in rented houses.

## THE EMPLOYMENT POSITION

### Labour force

An age-group classification of the rural sample population of the 25,003 household members shows that 40.80 per cent are below 15 years of age; 50.59 per cent are in the 15-59 year age-group and the remaining 8.61 per cent are 60 years or more. The persons in the age-group of 15-59 years constitute the labour force. Thus, according to this study, 50.59 per cent of the total rural population belong to the labour force. In villages, there are some even among those who are younger than 15 and older than 60 years who are likely to be economically active as either fully or seasonally employed. In this study the proportion of such workers is assumed to be quite small.

### Unemployment, seasonal employment and full employment

This investigation shows that of this labour force of 12,648 persons, 33.2 per cent are fully employed, 45.7 per cent seasonally employed and the remaining 21.1 per cent unemployed. In broad terms it may be stated that in rural Karnataka a little more than one-fifth of the working force is unemployed and nearly one-half is seasonally employed.

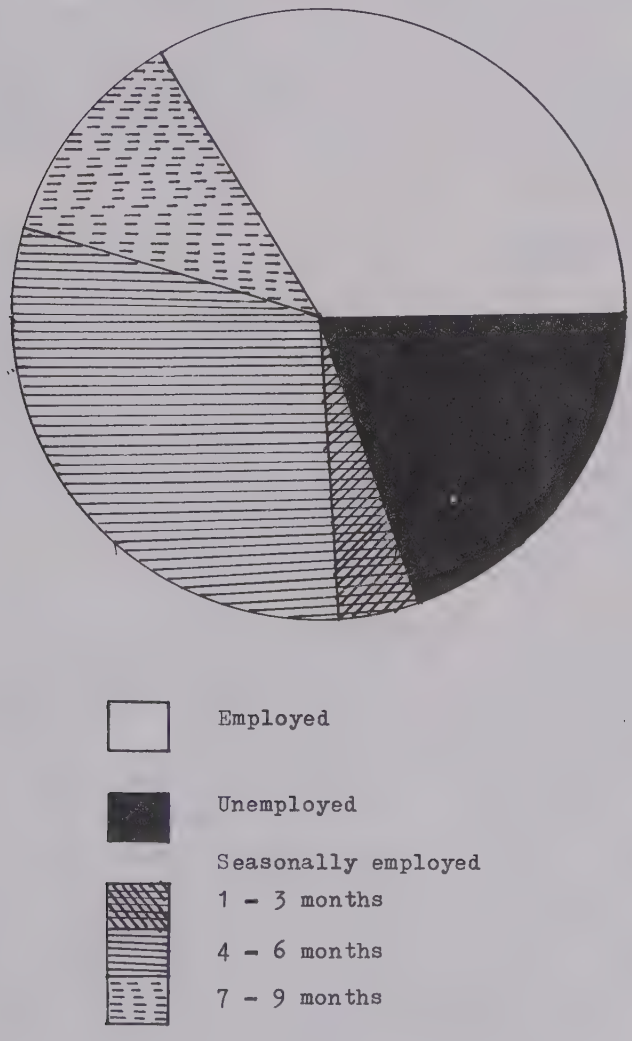
### Seasonal employment by duration

The seasonally employed may be categorised according to the duration of their employment into the following 3 groups: those who were employed during the year for (a) 1-3 months, (b) 4-6 months and (c) 7-9 months. According to the findings of this study, amongst the seasonally employed in rural Karnataka, 8.7 per cent belong to the 1-3 months duration range, 65.5 per cent to the 4-6 months duration

range and the remaining 25.8 per cent to the 7-9 months duration range. A vast majority of the seasonally employed are thus engaged in work for a period of no more than 6 months or less in a year; during the remaining period of the year they are practically unemployed. Figure 1 illustrates the position pictorially.

Figure 1.

Rural labour force



## Occupational pattern

As explained in Chapter III depending upon the nature of work done, all the fully employed and seasonally employed persons have been classified into five categories: (1) Technical and Professional, (2) Non-technical, (3) Cultivators, (4) Small cultivator - Labourer and (5) Agricultural Labourer. In the rural areas agriculture is the most important economic activity. Cultivation and agricultural labour together account for 83.3 per cent of the employed persons while those who can be classified as "technical and professional" account for only 6 per cent and those belonging to the non-technical group form the remaining 10.7 per cent. Generally speaking, it is only in the somewhat larger villages that one can come across technical and professional personnel.

## Burden of dependency

The dependency ratio, explained in previous chapter, for the rural areas of Karnataka works out to 98. This ratio is, however, not uniform for all the districts of the State. Hassan and Mandya districts have the lowest ratio of 73 while Belgaum and Chikmagalur districts have the highest ratio of 124. In the six districts of Bangalore, Coorg, Dharwar, Gulbarga, North Kanara and South Kanara, the dependency ratio is higher than the rural average.

As in urban areas in villages also a significant proportion of the persons in the 15-59 age-group do not engage themselves in any productive work. Therefore the actual burden of providing maintenance is borne only by a section of the total labour force. In this rural sample, out of 12,648 persons representing the labour force, only 9,980 are either fully or seasonally employed in some productive work or the other. Strictly speaking, the seasonally employed are also a liability on the fully employed persons, for seasonal employment implies seasonal unemployment and denotes only marginal earnings. The true burden of dependency, that is, the ratio between the employed persons and the dependents (including those in the 15-59 age-group), moves up to 150 for rural Karnataka. This ratio also varies from district to district. Table IV:1 indicates the position districtwise and permits an easy comparison.

Table IV:1. Dependency ratio and true burden of dependency in rural Karnataka

| Name of district (rural areas) | Dependency ratio | True burden of dependency ($\frac{\text{Total dependents}}{\text{Total employed}} \times 100$) |
|---|---|---|
| 1. Bangalore | 102 | 179 |
| 2. Belgaum | 124 | 176 |
| 3. Bellary | 89 | 115 |
| 4. Bidar | 94 | 141 |
| 5. Bijapur | 97 | 121 |
| 6. Chikmagalur | 124 | 211 |
| 7. Chitradurga | 91 | 152 |
| 8. Coorg | 104 | 159 |
| 9. Dharwar | 111 | 157 |
| 10. Gulbarga | 111 | 197 |
| 11. Hassan | 73 | 117 |
| 12. Kolar | 85 | 120 |
| 13. Mandya | 73 | 162 |
| 14. Mysore | 89 | 138 |
| 15. North Kanara | 107 | 296 |
| 16. Raichur | 88 | 119 |
| 17. Shimoga | 90 | 132 |
| 18. South Kanara | 104 | 133 |
| 19. Tumkur | 78 | 136 |
| Total State Rural | 98 | 150 |

EMPLOYMENT POSITION BY RELIGIOUS GROUPS AND SCHEDULED CASTES

The extent of unemployment, seasonal employment and full employment in each religious group is furnished in Table IV:2.

Table IV:2. Percentage distribution of the labour force by religion/ Scheduled Caste according to employment category

| Employment category | Hindu | | Muslims | Christians | Total labour force |
|---|---|---|---|---|---|
| | Scheduled Caste | Others | | | |
| 1. Fully employed | 22.19 | 41.97 | 24.43 | 16.67 | 33.2 |
| 2. Seasonally employed | 61.88 | 35.61 | 44.68 | 75.00 | 45.7 |
| 3. Unemployed | 15.93 | 22.42 | 30.89 | 8.33 | 21.1 |
| All categories (total) | 100.00 | 100.00 | 100.00 | 100.00 | 100.0 |

The unemployment rate for "Scheduled Castes" is much below the rural average. If this rate is compared in isolation to those noticeable among the other Hindus and the Muslims, those belonging to the Scheduled Castes appear to be in a very good position. The actual situation, however, is quite different, for among the Scheduled Castes the rate of full employment is very low while that of seasonal employment is very high. As a group they constitute an economically backward section of the rural population and their social position is unenviable. Most of them are manual labourers and their earning capacity is quite low. They are generally poor and depend for their living on the opportunities offered to them by the rural rich and middle classes. Few of those who belong to the Scheduled Castes own land and still fewer are engaged in trade and profession. They eagerly take up whatever work that becomes available from time to time with little or no choice at all and it is hard for them to secure full employment. Usually the demand for labourers will be high during peak agricultural seasons and they avail themselves of such opportunities. Among the Scheduled

Castes women and children also work to augment the family income. For them seasonal employment is of greater significance.

Among "Other Hindus" there is a rather high proportion of fully employed persons. "Other Hindus" form the bulk of the rural population and, compared to other religious groups, are economically more stable. They are landlords and mainly agriculturists. They are also engaged in trading activities, professions and services. Some are also engaged as manual labourers. The fully employed constitute about 42 per cent as compared to the rural average of 33 per cent. The rate of seasonal employment, is much lower than the rural average. As regards unemployment they have the second highest rate. This rather high unemployment rate may be attributed to their preferential attitude towards work and their economic stability. Viz. In this group there is likely to be a certain amount of so-called "voluntary" unemployment.

Among Muslims the rate of unemployment is very high. One of the main reasons for this phenomenon appears to be their social inhibitions and the PURDAH system which enjoins their womenfolk to put on veils and keep out of the public eye. Almost all women, especially those below 45 years of age, tend to follow this custom scrupulously and, thus remain unemployed. It is only a few who can and will attend to some productive work and then mostly at home. The seasonal employment rate among Muslims corresponds more or less to the rural average. As regards full employment, the Muslims are somewhat better placed than the Scheduled Castes and the Christians. Several among them are landlords and cultivators like the Hindus, and quite a few among them are engaged in trading activities and in petty professions.

The proportion of Christians in the rural population is quite small, namely 0.38 per cent. This fact has to be taken note of when comparing their rates with the rates of other religious groups. Among Christians seasonal employment is prevalent to a great extent: 3 out of every 4 in the labour force belong to this category. Compared to the other groups, the Christians have the highest rate of seasonal employment and the lowest rates of full employment and unemployment. The employment pattern among them resembles that of the Scheduled

Castes. The Christians of the rural areas are mostly converts from the backward castes and the Scheduled Castes. The high rate of seasonal employment among Christians is due to their poor economic condition and their readyness to accept whatever job that becomes available in the villages. They too are mainly manual labourers who work in the agricultural sphere.

## EMPLOYMENT POSITION BY SEX AND AGE-GROUPS

### The employment position by sex

Sexwise composition of the three categories of the total labour force is shown in Table IV:3.

Table IV:3. Sexwise components of labour force by employment status - rural Karnataka
(Percentage)

| Employment category | Total | Male Component | Female Component |
|---|---|---|---|
| 1. Fully employed | 33.2 | 23.0 | 10.2 |
| 2. Seasonally employed | 45.7 | 27.5 | 18.2 |
| 3. Unemployed | 21.1 | 4.0 | 17.1 |
| All categories (total) | 100.0 | 54.5 | 45.5 |

In the categories of fully employed and seasonally employed the male components are very much higher than their female counterparts: the male-female ratios being 9:4 and 14:9 approximately. But, in the unemployed category the situation is altogether different. The rate of unemployment is obviously very much higher among women than among men. For very unemployed male there are as many as 4 unemployed females.

If the male labour force is separately examined, it is found that the fully employed constitute 42.17 per cent and, the seasonally employed 50.45 per cent, while the unemployed account for the remain-

Figure 2.

Rural male labour force

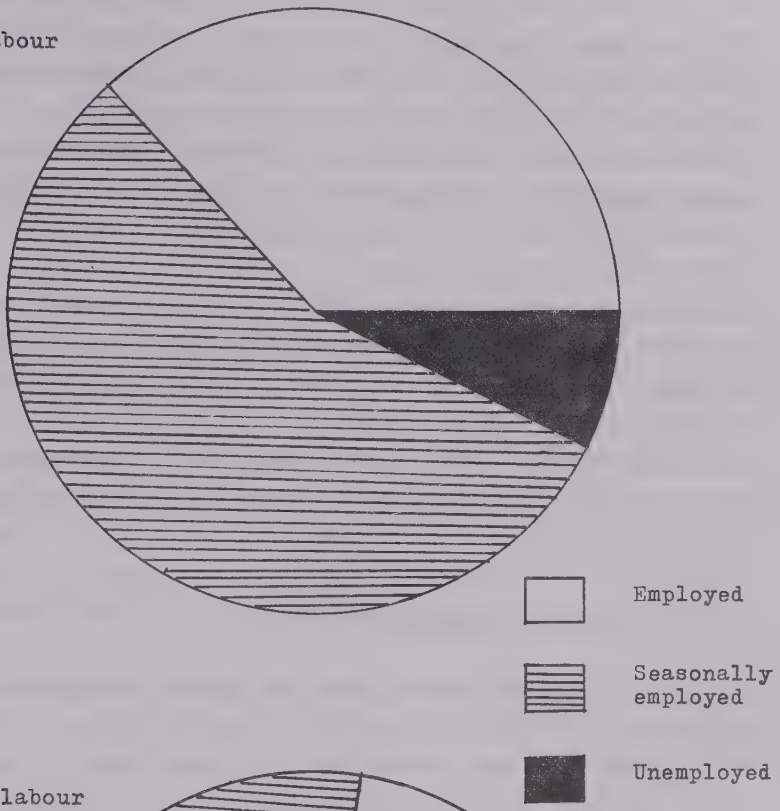
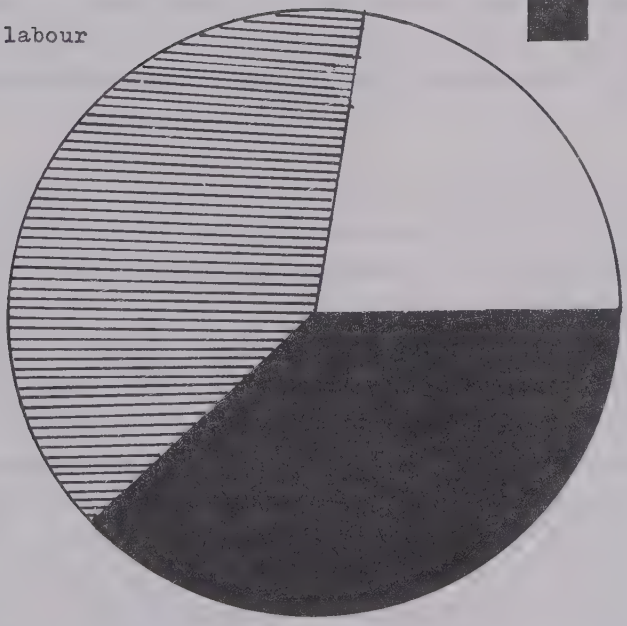



Figure 3.

Rural female labour force



ing 7.38 per cent. In the female labour force on the other hand the fully employed form only 22.5 per cent, the seasonally employed form another 39.97 per cent and the unemployed persons account for 37.53 per cent. In the male labour force one person in every thirteen is unemployed and, in contrast, in the female labour force at least one out of every four is unemployed. The magnitude of unemployment among women is four times that among males.

Agriculture is the main stay of rural economy and since it depends on weather conditions, seasonal employment assumes considerable importance in villages. This position is clearly reflected in the total labour force and also separately in the case of both the male and female labour force. The high degree of seasonal employment which exists side by side with unemployment accentuates the problem of unemployment.

The employment position by age and sex

The labour force covers a span of 45 years. For purposes of analysis these persons are sub-divided into five age-groups. The age-group distribution is shown sexwise in Table IV:4.

Table IV:4. Percentage distribution of the total labour force by age-groups and sex

| Age-groups | Percentage distribution in the Total labour force | Male labour force | Female labour force |
|---|---|---|---|
| Broad group 15-59 years | 100.0 | 100.0 | 100.0 |
| 15-23 | 19.0 | 15.9 | 22.7 |
| 24-32 | 30.2 | 27.3 | 33.7 |
| 33-41 | 22.4 | 23.4 | 21.1 |
| 42-50 | 15.1 | 17.4 | 12.4 |
| 51-59 | 13.3 | 16.0 | 10.1 |

In the total labour force, those in the 24-32 age-group constitute the largest single group. The position is very much the same in the case of both the male and the female labour force. In approximate terms, one-half of the total labour force is below 33 years of age. The proportion of persons in the higher age-groups decreases progressively and those in the highest age-group of 51-59 form about one-eighth. This general trend is reflected in the case of the male labour force only. Those aged below 33 form only 43 per cent while those in the highest age-group of 51-59 account for 16 per cent. The male labour force is thus made up of a higher proportion of persons in the higher age range. In the female labour force the younger persons are represented to a greater extent and those below 33 years constitute about 56 per cent. Consequently the proportion of those in the higher age-ranges is comparatively low. Only about a tenth of the female labour force belong to 51-59 age-group.

Thus, in rural Karnataka the male labour force contains a relatively higher proportion of men in the higher age-groups and in contrast, the female labour force contains a significantly larger proportion of women in the lower age-groups. One reason for this might be that it is more common for young males than for females to be in education and, thus, not included in the labour force.

In Table IV:5, the distribution of persons in each age-group and sex is presented according to employment categories so as to highlight the differences between the sexes and among the various age-groups.

From Table IV:3, presented earlier in this Chapter, it is noticed that the total labour force is composed of 54.5 per cent males and 45.5 per cent females. This sex-composition is not uniform for each one of the 5 age-groups considered in Table IV:5. Such disparities sometimes cause distortions. For example, the unemployment rate is highest for the 15-23 age-group of the total labour force but it is not altogether so if one were to examine the position separately for males and females. The sex ratio in each age-group is an important factor that has to be taken into consideration when comparing the unemployment rates among various age-groups of the total labour force.

Among the five age-groups of the total labour force, the youngest group of 15-23 has the highest unemployment rate and next to it is the oldest age-group of 51-59. These two age-groups form about 19 per cent and 13 per cent respectively of the total labour force and represent the groups that are at the threshold of the labour market.

Among the young persons 30 per cent are unemployed, compared to the average of 21 per cent, and another 44 per cent are seasonally employed. One of the reasons for high unemployment in this age-group appears to be the difference in sex ratio. Young women of this age-group get married and move to their in-laws to shoulder the responsibilities of housekeeping and childbearing.

In the case of the 51-59 year age-group the rate of seasonal employment is the lowest and full employment is of considerable importance, especially for males. As old age approaches several persons apparently give up productive work and gradually inflate the ranks of the unemployed.

Another factor noticeable in the table is the consistently high rate of seasonal employment in all the five age-groups. This emphasises the importance of seasonal employment in rural areas and the gross underutilisation of the rural manpower.

Male labour force. The average rate of unemployment among males in rural Karnataka is 7 per cent, 50 per cent of the male labour force are seasonally employed during various lengths of time and 42 per cent are fully employed.

The rate of unemployment is lowest for the two age-groups 33-41 years and 42-50 years old, 1.7 and 3.5 per cent respectively. These two age-groups together account for about two fifths of the male labour force. In spite of the low unemployment rate in these two productive age-groups the rate of full employment is only 44 and 41 per cent respectively. The same age-groups represent the highest rate of seasonal employment with 54 and 55 per cent. 74 per cent of those seasonally employed are so for a duration of 1-6 months, the remaining for 7-9 months. If to these 74 per cent are added those

Table IV:5. Percentage distribution of persons in each age-group by employment category

| Age-group | Percentage distribution by employment category among | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Males | | | | Females | | | | Total labour force | | | |
| | F.E. | S.E. | U. | Total | F.E. | S.E. | U. | Total | F.E. | S.E. | U. | Total |
| Broad group 15-59 | 42.2 | 50.4 | 7.4 | 100.0 | 22.5 | 40.0 | 37.5 | 100.0 | 33.2 | 45.7 | 21.1 | 100.0 |
| 15-23 | 37.6 | 47.7 | 14.7 | 100.0 | 16.6 | 40.9 | 42.5 | 100.0 | 26.2 | 44.0 | 29.8 | 100.0 |
| 24-32 | 42.9 | 50.9 | 6.2 | 100.0 | 22.6 | 41.5 | 35.9 | 100.0 | 32.6 | 46.2 | 21.2 | 100.0 |
| 33-41 | 44.3 | 54.0 | 1.7 | 100.0 | 29.7 | 40.5 | 29.8 | 100.0 | 38.0 | 48.2 | 13.8 | 100.0 |
| 42-50 | 41.4 | 55.1 | 3.5 | 100.0 | 24.3 | 41.5 | 34.2 | 100.0 | 35.1 | 50.0 | 14.9 | 100.0 |
| 51-59 | 43.1 | 42.2 | 14.7 | 100.0 | 18.1 | 29.7 | 52.2 | 100.0 | 34.5 | 37.9 | 27.6 | 100.0 |

F.E.: Fully employed S.E.: Seasonally employed U.: Unemployed

totally unemployed it amounts to an unemployment for six months or more for 43.2 per cent of men in the productive age-groups 33-50 years. This can be attributed to the fact that in rural Karnataka 53 per cent do not own land but merely work as agricultural labourers. Even those who own lands have but small parcels; 65 per cent only own 5 acres (2.5 ha) and below and only 14 per cent own land larger than 10 acres (approx. 5 ha).

For the 24-32 age-group also the rate of unemployment is below the average. The youngest and the oldest age-groups of 15-23 and 51-59 respectively have the highest rates of unemployment and of these two the former has a relatively higher rate of seasonal employment than the latter. Each of these two age-groups account for 16 per cent of the male labour force. In rural areas of Karnataka the traditional form of agriculture is widely prevalent and this provides employment opportunities to young adults as well as those approaching old age. Depending upon their physical capacity and interest in other pursuits like education such persons can chose full employment or seasonal employment. But, in view of the rapidly increasing population the competition to secure work has assumed greater importance. Thus even in villages unemployment prevails now-a-days to a considerable extent among men due to lack of employment opportunities. Introduction of labour intensive projects in villages can minimise the volume of unemployment and seasonal employment among men and give a boost to the rural economy.

Female labour force. The female labour force also exhibits a similar trend. The rates of full employment and seasonal employment for each one of the age-groups are consistently lower as compared to the corresponding rates for males. Consequently, the unemployment rates are considerably higher. The average rate of unemployment for females is 37.5 per cent which is five-times the rate for males. The highest rate of unemployment of 52.2 per cent is noticed in the case of the oldest age-group of 51-59. This age-group however forms only one-tenth of the female labour force. The note worthy fact is that the elderly women have a tendency to remain unemployed. The youngest age-group of 15-23 has the second highest unemployment rate, a low rate of full employment and average rate of seasonal employment. Ge-

nerally in rural areas the age-group 15-23 represents the period during which the girls are married off and sent to their in-law's household for starting their married life. This period, therefore, marks a transition, and due to socio-economic and biological causes several among them tend to remain unemployed for varying periods. The rate of full employment is the lowest for this age-group, which forms about 16.7 per cent of the employed female labour force. The lowest rate of unemployment and, at the same time, the highest rate of full employment are noticeable in the case of the 33-41 age-group. As among men, among women too, it is the middle-aged persons who are most likely to be fully employed and it is such persons that shoulder the responsibility of earning the family up-keep. In rural areas agriculture, animal husbandry, small trade and household industry are the activities which provide employment opportunities to women. Generally the place of work will not be far from their residence and the hours of work will also be quite flexible. Thus, in the unorganised rural sector a larger proportion of women are able to actively participate in productive activities. As explained in the previous chapter the situation in urban areas is quite different because of the predominance of the organised sector of economy.

---

The unemployment situation in rural Karnataka may be broadly stated as follows: the rural labour force contains a moderately high proportion of unemployed persons; the rate of unemployment is higher among females; higher rates of unemployment are noticeable in the case of persons approaching the age of 60 years and also among those who are just around 20 and entering the labour market; the rate of seasonal employment - which indirectly means seasonal unemployment - is quite high for both males and females; considerably larger proportions of middle-aged persons are either fully or seasonally employed.

## UNEMPLOYMENT - A HISTORICAL PERSPECTIVE

In order to analyse the trends in employment pattern all the eligible persons in the working age-group were requested to recollect and narrate whether they were fully employed or seasonally employed or unemployed during the years 1965 (10 years ago), 1960 (15 years ago) and 1955 (20 years ago). All those aged below 25 on the date of enquiry could not provide answers to these queries for obvious reasons. If those above 35 years of age could furnish details for all the three periods of reference the others between 30 and 35 and 25-30 could provide answers for the 15 and 10 years period and 10 years period respectively. As one moves back over a period of time naturally the numerical strength of the eligible labour force gets reduced. In 1975 the strength of the labour force stood at 12,648 persons. Out of them 9,730 answered for the year 1965; 7,884 persons provided answers for the year 1960 and only 4,537 could answer for the year 1955. At each point of time namely 1955, 1960 and 1965, it is conceded that the actual labour force of that period was much larger in size as it consisted of several persons who, if alive, are presently beyond 60 years of age. So, for purposes of analysis it is assumed here that the pattern of distribution of the sample labour force covered during this study represents the distribution pattern of the entire labour force of that particular period. Moreover, the replies furnished by the respondents also suffer to some extent from re-call lapse. This analysis may therefore be regarded as of an exploratory nature attempting to find out general trends rather than as stating incontrovertible facts.

The relevant data are set out in Table IV:6 in such a manner as to permit easy comparison of the rates of unemployment etc., for the different points of time. There are two sets of data: (a) distribution of the total labour force by male and female components according to employment categories and (b) distribution of the total, male and female labour force separately according to employment categories.

| Employment category | 1955 | | | 1960 | | | 1965 | | | 1975 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total | Male | Female | Total | Male | Female | Total | Male | Female | Total | Male | Female |
| A. | | | | | | | | | | | | |
| i) Fully employed | 50.9 | 37.7 | 13.2 | 36.1 | 25.8 | 10.3 | 34.9 | 24.3 | 10.6 | 33.2 | 23.0 | 10.2 |
| ii) Seasonally employed | 25.6 | 4.2 | 21.4 | 47.0 | 29.9 | 17.1 | 47.0 | 28.0 | 19.0 | 45.7 | 27.5 | 18.2 |
| iii) Unemployed | 23.5 | 3.7 | 19.8 | 16.9 | 2.6 | 14.3 | 18.1 | 3.7 | 14.4 | 21.1 | 4.0 | 17.1 |
| Total labour force | 100.0 | 45.6 | 54.4 | 100.0 | 58.3 | 41.7 | 100.0 | 56.0 | 44.0 | 100.0 | 54.5 | 45.5 |
| B. | | | | | | | | | | | | |
| i) Fully employed | 50.9 | 82.7 | 24.3 | 36.1 | 44.3 | 24.8 | 34.9 | 43.4 | 24.1 | 33.2 | 42.2 | 22.5 |
| ii) Seasonally employed | 25.6 | 9.2 | 39.2 | 47.0 | 51.3 | 40.9 | 47.0 | 49.9 | 43.2 | 45.7 | 50.4 | 40.0 |
| iii) Unemployed | 23.5 | 8.1 | 36.5 | 16.9 | 4.4 | 34.3 | 18.1 | 6.7 | 32.7 | 21.1 | 7.4 | 37.5 |
| Total labour force | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Number of respondents | 4537 | 2067 | 2470 | 7884 | 4593 | 3291 | 9730 | 5454 | 4276 | 12648 | 6896 | 5752 |

Although these statistics must be interpreted cautiously there is reason to believe that over the past 20 years there has actually been a fall in full employment and a consequential rise in seasonal employment. Legislative measures relating to land reforms and tenancy laws as well as a general decline in the rural economy tell to that. It may not be out of place here to elaborate a little on land reforms. The linguistic State of Karnataka was reorganised in 1956 and prior to that, even though efforts had been made by State Governments during the early fifties to bring about land reforms, the effect was quite invisible. In rural areas leasing out of lands for fixed rents or for share-cropping to tenants was quite popular and absentee landlordism was very much in vogue. It was easy for the villager to obtain enough lands for cultivation and keep himself and other workers in the family fully engaged for the year in agricultural activities. After 1956 the situation changed as the State Government made known its intentions to implement land reforms rigorously by enforcing ceiling on land-ownership, upholding the rights of tenants to pay fair rent and rights to retain the tenancy permanently, putting curbs on e.g. absentee landlordism. The State declared its policy of confering ownership rights to the actual tillers of the soil. As a result the interests of land owners were at stake and they had enough intelligence and resourcefulness to counter the impending threat. Most of the landlords took back their lands quite easily from their erst while tenants in the guise of practising self-cultivation, voluntary surrender by the tenant etc., and several among them preferred to allow their lands to remain fallow rather than be cultivated by a tenant. Thus, a large number of villagers were thrown out of their full employment and became labourers. There was severe competition for work, and soon seasonal employment became the order of the day. There was a sudden increase in the owner-cultivators who for their part contributed little but largely depended on casual labourers. Large and medium sized land holdings were divided with a view to overcome the ceiling limits. Another additional factor accounting for a decrease in full employment appears to be the trends towards modernisation of agriculture by the adoption of improved and labour saving tools and techniques.

TRENDS IN LONG TERM UNEMPLOYMENT

The unemployed persons met with during the survey were asked to state the duration of their unemployment, i.e. how long they had been unemployed. As explained earlier, the answer to this question too has a direct relationship with the age of the person concerned and, thus, the data presented below in Table IV:7 have their limitations. A higher duration of unemployment implies a higher age of the person but not vice versa. These details too may be viewed as indicative.

Table IV:7. Distribution of the unemployed by duration of unemployment

| Duration range | Percentage distribution among | | | Percentage distribution separately among | |
|---|---|---|---|---|---|
| | Total unemployed | Male component | Female component | Male unemployed | Female unemployed |
| Over 20 years | 30.9 | 4.7 | 26.2 | 24.7 | 32.4 |
| 16-20 years | 13.5 | 2.1 | 11.4 | 10.8 | 14.2 |
| 11-15 years | 17.2 | 2.1 | 15.1 | 11.2 | 18.7 |
| 6-10 years | 20.8 | 3.9 | 16.9 | 20.4 | 20.8 |
| 5 years and less | 17.6 | 6.3 | 11.3 | 32.9 | 13.9 |
| All durations | 100.0 | 19.1 | 80.9 | 100.0 | 100.0 |

As already noted, the unemployed labour force is made up of a high proportion of females. Among them, nearly a third, have been without employment for over 20 years. The middle duration range of 11-20 years too claims an almost equal proportion, leaving about a third of the unemployed in the shorter duration of less than 10 years. The range of 5 years and less accounts for only 13.9 per cent. Among the unemployed males two thirds have been unemployed for more than five years and one fourth even for more than 20 years.

## THE EMPLOYMENT POSITION IN DIFFERENT RURAL DISTRICTS

### Unemployment

About 21 per cent of the labour force of rural Karnataka is unemployed. This rate is not uniform in all parts of the state. The highest rate of unemployment is recorded for the rural areas of North Kanara district while the lowest is recorded for Bellary district. In the following paragraphs, the situation is analysed first with reference to the total labour force and then with regard to males and females separately.

The unemployment rate in Coorg district corresponds to the rural average; in seven districts the rates are above average and in the remaining eleven districts the rates are below average.

North Kanara district has all the characteristics of a Malnad (i.e. very heavy rainfall, rugged and hilly terrain, lack of communication facilities, widely dispersed settlement pattern etc.) as well as those of a narrow coastal plain. It is endowed with dense forests, which yield valuable timber and other raw materials for a number of industries. Fisheries are also quite important in the coastal taluks of this district. Despite the existence of these last mentioned favourable factors, the rural areas of North Kanara have the highest rate of unemployment. Sexwise analysis indicates that this may be attributed to an exceptionally high rate of unemployment in the female labour force. The rate of seasonal employment here is the lowest amongst the 19 districts. The economic inactivity of the womenfolk of this district has resulted in a very high rate of unemployment, in the lowest rate of seasonal employment and a low rate of full employment. A fuller exploitation of the available resources in such a way as to provide employment opportunities to women could improve the situation.

The second highest rate of unemployment, 33.9 per cent, is found in Mandya. The unemployment rate is higher than the average for both males and females. This district enjoys very good irrigation facilities and intensive farming on modern lines is also in vogue. Cultivation of sugar cane, a cash crop, is popular and the economic conditions of the farmers of this area are somewhat better than that of their counterparts of the other areas. [1] It appears that due to modernisation of

(Districts arranged in descending order of the rate of unemployment in the total labour force)

| Name of district | Percentage distribution of labour force by employment category among | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total labour force | | | | Male labour force | | | | Female labour force | | | | |
| | F.E. | S.E. | U. | Total | F.E. | S.E. | U. | Total | F.E. | S.E. | U. | Total | No. |
| 1. North Kanara | 28.8 | 23.5 | 47.7 | 100.0 | 51.5 | 35.8 | 12.7 | 100.0 | 5.1 | 10.7 | 84.2 | 100.0 | 1 |
| 2. Mandya | 24.9 | 41.2 | 33.9 | 100.0 | 31.3 | 50.9 | 17.8 | 100.0 | 16.1 | 27.8 | 56.1 | 100.0 | 2 |
| 3. Gulbarga | 24.5 | 46.5 | 29.0 | 100.0 | 34.3 | 51.4 | 14.3 | 100.0 | 11.6 | 40.0 | 48.4 | 100.0 | 3 |
| 4. Chikmagalur | 23.3 | 48.8 | 27.9 | 100.0 | 30.3 | 61.2 | 8.5 | 100.0 | 15.3 | 34.3 | 50.4 | 100.0 | 4 |
| 5. Bangalore | 23.0 | 49.4 | 27.6 | 100.0 | 35.0 | 56.8 | 8.2 | 100.0 | 9.6 | 41.0 | 49.4 | 100.0 | 5 |
| 6. Tumkur | 36.5 | 39.2 | 24.3 | 100.0 | 51.2 | 41.5 | 7.3 | 100.0 | 19.9 | 36.6 | 43.5 | 100.0 | 6 |
| 7. Chitradurga | 43.8 | 32.2 | 24.0 | 100.0 | 54.6 | 35.2 | 10.2 | 100.0 | 31.8 | 29.0 | 39.2 | 100.0 | 7 |
| 8. Coorg | 34.2 | 44.7 | 21.1 | 100.0 | 40.7 | 52.9 | 6.4 | 100.0 | 27.0 | 35.7 | 37.3 | 100.0 | 8 |
| 9. Mysore | 21.4 | 57.7 | 20.9 | 100.0 | 28.1 | 65.4 | 6.5 | 100.0 | 14.1 | 49.3 | 36.6 | 100.0 | 9 |
| 10. Hassan | 29.2 | 50.5 | 20.3 | 100.0 | 40.5 | 52.4 | 7.1 | 100.0 | 17.2 | 48.4 | 34.4 | 100.0 | 10 |
| 11. Bidar | 27.5 | 53.2 | 19.3 | 100.0 | 33.2 | 56.8 | 10.0 | 100.0 | 21.1 | 49.2 | 29.7 | 100.0 | 11 |
| 12. Belgaum | 34.7 | 46.5 | 18.8 | 100.0 | 47.1 | 49.0 | 3.9 | 100.0 | 20.3 | 43.6 | 36.1 | 100.0 | 12 |
| 13. Shimoga | 39.5 | 42.3 | 18.2 | 100.0 | 48.8 | 43.9 | 7.3 | 100.0 | 28.0 | 40.5 | 31.5 | 100.0 | 13 |
| 14. Dharwar | 40.9 | 41.3 | 17.8 | 100.0 | 49.1 | 46.0 | 4.9 | 100.0 | 30.7 | 35.5 | 33.8 | 100.0 | 14 |
| 15. Kolar | 34.4 | 49.9 | 15.7 | 100.0 | 38.4 | 51.1 | 10.5 | 100.0 | 29.2 | 48.2 | 22.6 | 100.0 | 15 |
| 16. Raichur | 38.7 | 47.1 | 14.2 | 100.0 | 44.6 | 53.9 | 1.5 | 100.0 | 33.1 | 40.5 | 26.4 | 100.0 | 16 |
| 17. Bijapur | 32.2 | 55.1 | 12.7 | 100.0 | 38.4 | 58.5 | 3.1 | 100.0 | 26.3 | 51.8 | 21.9 | 100.0 | 17 |
| 18. South Kanara | 44.3 | 43.3 | 12.4 | 100.0 | 49.0 | 47.3 | 3.7 | 100.0 | 32.2 | 32.9 | 34.9 | 100.0 | 18 |
| 19. Bellary | 51.7 | 36.4 | 11.9 | 100.0 | 65.9 | 32.3 | 1.8 | 100.0 | 36.2 | 40.8 | 23.0 | 100.0 | 19 |
| State total | 33.2 | 45.7 | 21.1 | 100.0 | 42.2 | 50.4 | 7.4 | 100.0 | 22.5 | 40.0 | 37.5 | 100.0 | |

F.E.: Fully employed S.E.: Seasonally employed U.: Unemployed

agriculture the capital intensive methods have gained in importance relegating the labour intensive ones to the background. This development has to some extent resulted in enforced unemployment by releasing manpower which was hitherto being absorbed by the agricultural sector.

Coorg and Chikmagalur districts are noted for plantation crops such as coffee and cardamom besides the cultivation of paddy. These activities are mainly labour intensive and are also seasonal in nature. Of these two districts Chikmagalur has a lower rate of full employment and a higher rate of seasonal employment. In both these districts most of the labourers are migrants from the adjacent districts and also from the neighbouring states of Tamil Nadu and Kerala.

Hassan and parts of Belgaum and Dharwar districts also have malnad characteristics. But these districts have comparatively lower rates of unemployment.

The lowest rate of unemployment is noticed in the district of Bellary which is known for its iron mining operations. During the past 2 decades, due to the Tungabhadra Irrigation Project, dry farming has given place to wet farming with assured water supply in large areas of the district. In the wake of this change abundant employment opportunities have been generated which have absorbed the surplus labour force in rural areas. The district has the highest rate of full employment for both the male and the female labour force, and less than average rate of seasonal employment.

Another district benefitted by the Tungabhadra project is Raichur, which, however, has returned a little higher rate of unemployment - due to the female component - and a considerably lower rate of full employment.

The unemployment rates of South Kanara and Bijapur are almost identical and are slightly higher than that of Bellary. While Bijapur has a higher rate of seasonal employment, South Kanara has a higher rate of full employment. In both the districts agriculture is an important activity. Besides, South Kanara is noted for industries like beedi-making, basketry and pottery. Fishing is also of considerable importance. Bijapur is well known for cotton handloom weaving industry. In these districts, agriculture as well as the household industries are labour

intensive and provide work to both men and women throughout the year.

In general it appears that the industrially backward districts have lower rates of total unemployment than those which are more advanced.

If the male labour force is considered, Mandya district has the highest rate of unemployment, namely 17.8 per cent which is more than twice the average rate of 7.4 per cent. As already mentioned, Mandya is economically rather prosperous. Because of the relative affluence young men can enjoy leisure.

Raichur has the lowest rate of unemployment followed by Bellary. These two districts have received immense benefits from the extension of irrigation facilities under the Tungabhadra Project. The agricultural economy has improved considerably and at present seems to be capable of providing enough work to a large section of the male labour force.

The difference in the employment picture among male workers in Raichur and Bellary respectively is worth noticing. The male unemployment rate is almost similar, and very low, in both districts. However, their respective rates of full and seasonal employment differs considerably. Since both benefit from the irrigation project, one can assume that, the higher rate of full employment in Bellary is due to its higher rate of industrialisation. The mining operations provide for a more steady employment.

In the case of the female labour force the range of variation in unemployment rates is much higher. North Kanara tops the list with a rate of 84.2 per cent while Bijapur district with its rate of 21.9 per cent is at the bottom. In 12 districts out of the 19, the female unemployment rate is lower than the rural average. The main reason for the high unemployment rate in North Kanara appears to be non-availability of employment opportunities for women and under-utilisation of the existing economic resources. But, in Mandya district, which is agriculturally more advanced and where the farmers are quite prosperous, the reason seems to be of a social origin; in households with a higher economic status men do not generally like their women to work in fields and farms. In the districts which are industrially backward and are located in low rainfall regions of the State the unemployment rate among women is comparatively lower.

## Full employment

As regards full employment Bellary enjoys a very good position. The rates for the total labour force is 51.7 per cent, for males 65.9 per cent and for females 36.2 per cent. In view of the recent changes in farming methods - due to introduction of canal irrigation on a large scale - and its mineral resources Bellary has a vast employment potential and it appears that those who are ready to work can fairly easily secure jobs. South Kanara is second but here there is a considerable disparity in the sexwise rates. Cottage industries are prevalent in the area and account for the comparatively high rate of full employment among females. Mysore district has the lowest rate of full employment and, at the same time, the highest rate of seasonal employment. In this district both dry farming and wet farming are prevalent to an almost equal extent. In certain taluks of the district silkworm rearing, which is a seasonal activity, is also prevalent. The rural areas of this district are somewhat backward, and it is only in villages with an assured irrigation that the economic conditions of the farmers are better.

## Seasonal employment

In rural Karnataka 45.7 per cent of the total labour force are seasonally employed. The seasonal employment rate is the lowest in the district of North Kanara, which incidentally has the highest rate of unemployment. Mysore district has the highest rate of seasonal employment among the 19 districts. It may be noted that this district has the lowest rate of full employment.

Considerable variations are noticeable if male and female labour forces are separately examined. In the case of the male labour force, Bellary has the lowest rate, 32.3 per cent, while Mysore has the highest rate, 65.4 per cent. Bellary district has the highest rate of full employment and the lowest rate of unemployment and for these reasons if may be assumed to represent a highly desirable condition. If the female labour force is considered, it is seen that North Kanara of the malnad has the lowest rate, 10.7 per cent, while Bijapur of northern maidan has the highest rate, 51.8 per cent. In Bijapur most of the female labour force is employed in handloom and other cottage industries, which are seasonally oriented.

The rate of seasonal employment in Gulbarga is almost identical with the State average. This district is located in the northern maidan region of the State and is also considered as one of the economically backward districts. Seasonal employment is high in areas where dry farming is predominant and where the level of development is moderate or below average.

The pattern of distribution set out in Table IV:9 shows that in all the districts seasonal employment of medium duration is the rule. The solitary exceptional case of Shimoga perhaps proves the rule, for in this district longer duration seasonal employment occurs to a considerably greater extent. In Raichur 89.6 per cent of the seasonally employed belong to the 4-6 months duration range. Bidar with 81.2 per cent occupies the second place while Mysore and Mandya follow closely behind with about 76 per cent. Of these districts, Raichur and Mandya enjoy very good irrigation facilities and in the former, agricultural practices are more labour intensive. Though industrially backward, Bidar district is known for its fertile soil and extensive agriculture which can provide employment to a large proportion of the local labour force. Here, cultivation is mainly rainfed and most of the agricultural workers are seasonally employed on account of the seasonal character of agriculture. In North Kanara which has a very low rate of seasonal employment, about 60 per cent belong to the medium duration range. Since this district has a high unemployment rate the fact that more than 72 per cent of the seasonal workers are employed for 6 months or less highlights the gravity of the problem of unemployment.

Short duration employment of less than 3 months seems to affect all the areas of the State, though, not equally. The intensity of this problem, which is more or less akin to that of unemployment, is very high in Chitradurga district and quite insignificant in the districts of Bijapur, Hassan, Bidar, Raichur, Coorg and Dharwar. This group of workers perhaps represent the casual or marginal workers at the threshold of the labour market who are not particularly keen to work for longer durations. On the other hand they may also represent those who tried but failed to secure full time jobs or even long duration seasonal employment. The intensity of the seasonal employment problem by duration range varies from area to area depending upon several local factors.

Table IV:9. Percentage distribution of the seasonally employed according to duration of employment

| District (arranged in descending order of the rate of seasonal employment) | Percentage distribution by duration | | | |
|---|---|---|---|---|
| | 1-3 months | 4-6 months | 7-9 months | Total |
| 1. Mysore (57.7) * | 3.8 | 76.0 | 20.2 | 100.0 |
| 2. Bijapur (55.1) | 1.1 | 71.1 | 27.8 | 100.0 |
| 3. Bidar (53.2) | 2.2 | 81.2 | 16.6 | 100.0 |
| 4. Hassan (50.5) | 1.2 | 64.0 | 34.8 | 100.0 |
| 5. Kolar (49.9) | 14.0 | 53.4 | 32.6 | 100.0 |
| 6. Bangalore (49.4) | 9.5 | 68.7 | 21.8 | 100.0 |
| 7. Chikmagalur (48.8) | 14.5 | 65.9 | 19.6 | 100.0 |
| 8. Raichur (47.1) | 2.4 | 89.6 | 8.0 | 100.0 |
| 9. Belgaum (46.5) | 10.7 | 62.7 | 26.6 | 100.0 |
| 10. Gulbarga (46.5) | 13.9 | 58.3 | 27.8 | 100.0 |
| 11. Coorg (44.7) | 3.4 | 68.1 | 28.5 | 100.0 |
| 12. South Kanara (43.3) | 6.2 | 67.7 | 26.1 | 100.0 |
| 13. Shimoga (42.3) | 12.1 | 39.3 | 48.6 | 100.0 |
| 14. Dharwar (41.3) | 2.7 | 75.2 | 22.1 | 100.0 |
| 15. Mandya (41.2) | 5.9 | 75.7 | 18.4 | 100.0 |
| 16. Tumkur (39.2) | 6.8 | 68.1 | 25.1 | 100.0 |
| 17. Bellary (36.4) | 10.2 | 68.5 | 21.3 | 100.0 |
| 18. Chitradurga (32.2) | 25.4 | 54.9 | 19.7 | 100.0 |
| 19. North Kanara (23.5) | 13.2 | 59.2 | 27.6 | 100.0 |

* Figures in brackets indicate the rate of seasonal employment.

In rural Karnataka seasonal employment prevails to a considerable extent in all areas. The foregoing analysis shows that except in certain pockets like Shimoga, in all areas a majority of the seasonally employed belong to either the medium duration or the short duration range and get work for a period of 6 months or less in a year. The field study has further revealed that most of the seasonally employed workers have occupational as well as spatial mobility. Several workers, especially men, go in search of work to neighbouring areas and many can not be particular to specialise in any one occupation or job. A person who works as an agricultural labourer readily takes up work on a construction labourer, or as a domestic servant or as shepherd, depending upon the availability of work in or around the village. A high proportion of workers in the 7-9 months duration range is the most desirable alternative to the ideal condition of full employment. Such a situation however is not noticeable in the rural areas of Karnataka. The rate of unemployment and of medium or short duration seasonal employment are both high in several districts of the State. Together they pose a severe problem to the planners, policy makers and administrators.

Chapter V

# UNEMPLOYMENT IN KARNATAKA

## THE GENERAL EMPLOYMENT SITUATION IN KARNATAKA

### Estimates for the whole state

In the total sample, covering both rural and urban areas, 28 per cent of the labour force are unemployed, 38 per cent are seasonally employed and 34 per cent are fully employed. Of the total male labour force, 9.5 per cent are unemployed, 44 per cent seasonally employed and 46.5 per cent fully employed. Of the total female labour force, a major portion, 50 per cent, are unemployed, 32 per cent are seasonally employed and only 18 per cent are fully employed.

Althouth the investigation does not cover the 12 per cent of the population who live in small and medium-sized towns - as is already mentioned earlier - the samples from the urban and rural districts have been combined here to give a picture of the overall employment situation in Karnataka. For the total figures given above it has been assumed that the employment situation in these towns is similar to that in the cities. Should instead the employment situation in the rural districts be assumed to cover also the towns, the figures would be somewhat altered. Unemployment in total Karnataka would be 24 per cent, for the male labour force 8 per cent and for the female labour force, 43 per cent, the reason for these lower rates of course being that the rate of unemployment is lower in the rural districts than in the cities. The rates of full employment would drop to 33 per cent for the whole state and to 44 per cent for the male labour force. For the female labour force the rate of full employment would rise to 21 per cent because more women are fully employed in the rural districts than in the cities. Since seasonal employment is prevailing to a greater extent in the rural than in the urban areas, the rates of seasonal employment would be higher for the total state as well as for both the male and female component of the labour force. The figures would be 43 per cent for total Karnataka, 48 per cent for the male labour force, and 36 per cent for the female labour force.

The true figures probably lay somewhere halfway between these two alternatives:

Alternative 1. The employment situation in total Karnataka assuming that the rates in the towns resemble those in the cities

| | Total labour force | Males | Females |
|---|---|---|---|
| Fully employed | 34 | 46.5 | 18 |
| Seasonally employed | 38 | 44.0 | 32 |
| Unemployed | 28 | 9.5 | 50 |

Alternative 2. The employment situation in total Karnataka assuming that the rates in the towns resemble those in the rural areas

| | Total labour force | Males | Females |
|---|---|---|---|
| Fully employed | 33 | 44 | 21 |
| Seasonally employed | 43 | 48 | 36 |
| Unemployed | 24 | 8 | 43 |

Burden of dependency

In the total sample surveyed, 49.8 per cent belong to the labour force as it has been defined here, viz. persons 15-59 years old. 42.4 per cent are children below 15 years and students, 7.8 per cent are 60 years and above. Accordingly, the dependency ratio of labour force to dependents works out to 101. The 1971 Census of India gives a dependency ratio of 94 for Karnataka and 92 for India as a whole. [1] When compared with the dependency ratios in some of the advanced countries, such as West Germany (62), Sweden (65), England (67), France (74), U.S.A. (74) and Canada (78), it is obvious that this is a high ratio. This high ratio may be attributed to demographic factors such as a high birth rate and also to out-migration to distant places of young and middle-aged men in search for better prospects. Recent improve-

ments in public health and sanitation have accelerated the population growth in India.

According to the concepts adopted by the 1971 Census, 35 per cent, i.e. 10.2 million, of Karnataka's total population of 29.3 million, were classified as workers. Out of these 10.2 million workers, only 8.6 million were between 15 and 59 years; children below 15 years and also persons above 59 years were included among the workers. These 8.6 million make up 57 per cent of all persons in the age-group of 15-59 years. If the number of workers in the 1971 Census that are 15-59 years old is related to the total population of Karnataka, the true burden of dependency would be 100:240.

The present field investigation reveals that only 17 per cent of the total population are fully employed and that another 19-21 per cent are seasonally employed. The true burden of dependency in relation to those who are fully employed works out to 100:498. If this ratio is applied to the 1971 Census figures for Karnataka, only 4.9 million out of a total population of 29.3 would be fully employed, the rest being either fully or partially dependents. If the seasonally employed are regarded at par with the fully employed - as is the case in the Census - the dependency ratio would be in the range 100:164 to 100:179.

## A COMPARISON BETWEEN URBAN AND RURAL AREAS

### Unemployment, seasonal employment and full employment

The rate of full employment is rather similar in the urban and the rural areas. Around one third of the total labour force is fully employed both in the cities and in the rural districts. However, when it comes to the occupational status of the remaining two thirds as well as to the respective rates for the male and female labour force which constitute these averages, there are wide differences between the urban and rural areas.

In the cities there is a high rate of unemployment, 47 per cent, and a fairly low rate of seasonal employment, 19 per cent. The figures are almost the reverse in the rural districts; 21 per cent are unemployed and 46 per cent seasonally employed. This difference is due partly to the fact that in the rural districts unemployment is lower and season

al employment more common for the male labour force than is the case in the cities and partly to the fact that women in the rural districts on the whole are more employed, both fully and seasonally. Behind the almost similar rates of full employment in the urban and rural areas, there are also considerable differences which mirror the difference in the economy of the respective areas. In the urban districts, the rate of full employment is higher for the male part of the labour force and lower for the female part as compared to the rural districts.

Table V:1. Employment of urban and rural labour force (Percentage)

| Labour force | Full employment | | Seasonal employment | | Unemployment | |
|---|---|---|---|---|---|---|
| | U | R | U | R | U | R |
| Male | 58 | 42 | 26 | 50 | 15 | 7 |
| Female | 7 | 22 | 10 | 40 | 83 | 38 |
| Total | 34 | 33 | 19 | 46 | 47 | 21 |

U = Urban R = Rural

The reason why seasonal employment is more common in the rural than in the urban areas is, of course, the dominance of the primary sector with its seasonal character in the rural economy. Several of the industries in the rural areas are also linked to agriculture and, thus, have an activity which is seasonal in character. On the other hand, male unemployment is, comparatively speaking, low. In the urban areas, the dominant sector is the organized sector, which provides full employment to a larger extent. Here, though, male unemployment is considerably higher.

In the cities very few women work outside their homes. This is due to several factors which might be termed as "voluntary" but which are perhaps in fact of a traditional and socio-cultural character. This poses a problem for the female part of the society. If there is no change in opportunities and attitudes, the increasing urbanisation will inevitab-

ly lead to a greater part of the female labour force being without paid occupation. In India - as in most societies which are in the process of becoming industrialized - women with higher education and women in low income families are the ones who are most apt to take up work outside their homes. In the rural areas, it is apparently both easier for women to find at least seasonal work and also socially more acceptable and/or economically more essential that women take part in work outside their homes. Even in the rural districts, among the upper middle class of farmers, men generally do not like their womenfolk to toil in the fields, thinking that it adds to their prestige if their women stay away from such work. Another factor behind the low work-participation rate of women in the cities of Karnataka as compared to the rural districts may be the fact that the percentage of Muslims is higher in the urban than in the rural districts; Muslims have an even stricter attitude towards women working outside their homes than do other religious groups.

Seasonal employment by duration

The fact that seasonal employment is more prevalent in the rural than in the urban areas - and the reasons for this - has already been dwelt upon. Despite the differences, there are certain common traits in the two areas as regards seasonal employment, viz. as to the duration of such employment. In both areas, most of the persons who are seasonally employed are so far 4-6 months. In the rural areas 66 per cent, in the urban areas 58 per cent, fall within this duration range. Those who work for 7-9 months form another 26 per cent in the rural areas and 36 per cent in the urban areas. These last figures show the same tendency as has been noticed previously; those who are employed in the cities tend to be so for a longer period of the year than those in the rural areas. Seasonal employment of very short duration, 1-3 months, is recorded for only a small proportion, 9 per cent in the rural, and 6 per cent in the urban areas.

Looking at the figures above from another angle, one could instead say that in the rural areas, around 74 per cent, and in the urban areas around 64 per cent of those seasonally employed are unemployed for 6 months during the year or more. The spells of unemployment among them may not be continuous. But the fact is that at least periodically they swell the ranks of those completely unemployed, thereby aggravating a situation which is already bad.

## Employment position by religious groups and scheduled castes

Although the rates of employment and unemployment in the various religious groups are rather different depending on whether they live in the rural or urban districts, it is possible to discern a pattern. The highest rate of full employment in both rural and urban areas is recorded for what has here been termed Other Hindus, i.e. Hindus except those of the Scheduled Castes. This can be attributed to the fact that Other Hindus on the whole are economically more stable than other groups and by and large controlling the means of production. In both cities and rural areas this group ranks second as to unemployment and third as to seasonal employment. Part of the unemployment - as well as the comparatively speaking low rate of seasonal employment - is due to their preferential attitudes towards specific jobs which they can afford to a higher degree than other groups because of their economic stability.

Table V:2. Employment of various religious groups in urban and rural areas

| Religious groups | Full employment | | Seasonal employment | | Unemployment | |
|---|---|---|---|---|---|---|
| | U | R | U | R | U | R |
| Other Hindus | 38 | 42 | 18 | 36 | 44 | 22 |
| Scheduled Castes | 31 | 22 | 28 | 62 | 41 | 16 |
| Muslims | 31 | 24 | 19 | 45 | 50 | 31 |

U = Urban areas R = Rural areas

The Scheduled Castes and the Muslims have a similar rate of full employment; it is identical in the urban areas but somewhat lower for the Scheduled Castes in the rural areas. However, there are large differences between the two groups in the occupational status of those who are not fully employed. In both urban and rural districts, the Scheduled Castes have the highest rate of seasonal employment and the lowest rate of unemployment, the Muslims have the highest rate of unemployment and rank second as to seasonal employment.

The Scheduled Castes are traditionally a class of landless labourers in the rural areas and of non-agricultural labourers, by and large unskilled manual labourers, in the urban areas. They are mostly compelled to take up whatever work that becomes available in the local areas and can not afford to wait for better opportunities. Although they have the highest rate of seasonal employment of all groups in both areas, a much larger proportion of the Scheduled Castes is seasonally employed in the rural areas, resulting in large differences between the two areas as regards the rate of unemployment for this group. This indicates two things: it is easier to find seasonal employment in the rural areas and it is more common that women of the Scheduled Castes are employed at least seasonally in the rural areas as compared to the cities.

This last comment is valid for the Muslims as well although the various rates are of a different magnitude. The Muslims have the highest rate of unemployment of all groups, and it is particularly high in the cities. One of the main reasons for their high unemployment rate is their social inhibition regarding the participation of womenfolk in work outside their homes. It is apparently easier for Muslim women in the rural areas to find at least seasonal work that is socially/traditionally acceptable.

The Christians have been excluded from this comparison because of the small number of Christians in the rural sample. In the urban areas they show the same employment pattern as the Other Hindus, namely a tendency to be either fully employed or unemployed. Their rate of unemployment in the cities is very high and their rate of seasonal employment low. On the whole, they have a high rate of literacy which makes them disinclined to take up menial jobs. Their preferential attitude towards specific occupations cause a high rate of unemployment.

Employment situation of various age-groups

The employment picture for the various age-groups is very much the same, regardless of whether one looks at the rural or the urban labour force. It is also similar for the male and female part of the labour force, although their respective rates are on a different scale.

The rate of unemployment is lowest/least high for males and females in the age-groups of 33-50 years in both rural and urban areas. In the rural areas males and females 33-41 years old have the lowest rate of unemployment and the highest rate of full employment of all age-groups. In the urban areas it is the age-group of 42-50 years old men that records the lowest rate of unemployment and the highest rate of full employment. As for the urban female labour force, it is hardly adequate to speak in terms of low rates of unemployment since the percentage of women that has any kind of remunerative employment is so very small; around and above 80 per cent of the urban female labour force does not record any such employment. The slight variations that exist point to the same tendency as that observed for the male labour force, viz. the age-group of 42-50 has the largest, the age-group of 33-41 the second largest employment participation rate. For all urban female age-groups seasonal employment is more important than full employment.

The youngest and the oldest age-groups, i.e. those 15-23 and 51-59 years old, show the highest rate of unemployment and the lowest rate of full employment both in urban and rural areas. The rate of unemployment in these two age-groups is considerably higher than that of all other age-groups particularly as regards the male labour force. The development of the economy has not been such as to make it possible to absorb and channelize the annual additions to the labour force. As for the oldest age-group, the fact that the age of retirement from State Government occupations is 55 years, from Federal Government occupations 58 years, may explain the high rate of unemployment in the urban areas. In rural areas where agriculture and allied activities as well as household industries are prevailing, this can hardly be the reason. However, in view of the paucity of jobs and the excessive availability of younger persons, older persons find it difficult to get jobs, especially as employees. Such people, if they own land, livestock &c., and are members of large families, do contribute their labour to the household enterprise but more often their participation tend to be nominal and of a supervisory type.

## Long term unemployment

Of all those who were unemployed in the total labour force of both the urban and rural areas, around 80 per cent have been so for more than 5 years. One third have been unemployed for more than 20 years. This high rate of long term unemployment is partly due to the employment situation for the female part of the labour force. But even among the unemployed males a large proportion have been unemployed for many years. Two thirds of unemployed males in rural areas and a little more than 60 per cent of unemployed males in urban areas have been unemployed for more than 5 years. Half in rural areas and one third in urban areas of unemployed males have been without employment for more than 10 years. A duration of unemployment for more than 20 years is recorded for one fourth of the rural, and 13 per cent of the urban unemployed males. Thus, long term unemployment is more pronounced in rural as compared to urban areas.

Considering only the number of unemployed in the age-groups that were able to answer for 10 and 20 years, viz. those above 25 and those above 35 years, respectively, the same pattern, of a larger percentage of long term unemployment in rural than in urban areas, is discernible. Of the unemployed males who are 25 years and older, 68 per cent in rural, as compared to 55 per cent in urban areas, have been unemployed for more than 10 years. Of the unemployed males who are 35 years and older, 54 per cent in rural and 33 per cent in urban areas have been without employment for more than 20 years.

Among the unemployed females, the picture is rather the reverse, although on a much higher aggregate level. The percentage of long term unemployed among those who were able to answer for 10 and 20 years respectively is higher in urban than in rural areas, indicating that women on the whole tend to be less employed in the cities than in the rural areas, as has already been said earlier.

While the prevalence of short-duration unemployment is understandable as due to inadequate job opportunities, the persistence of long term unemployment is difficult to convincingly explain for the male part of the labour force.

Chapter VI

# THE EMPLOYMENT EXCHANGE SERVICE IN KARNATAKA

## RESULTS OF THE FIELD STUDY

According to the results of this field study, the services rendered by the Employment Exchanges are ineffective. Only five persons out of the total labour force of 17,353 reported that they had obtained their jobs through the Employment Exchanges. Of the 4,478 educated unemployed, only 354, not fully 8 per cent, had their names currently registered with an Employment Exchange. The main reasons given for not registering with the exchanges were: lack of confidence in the functioning of the Employment Exchanges, the long distance between e.g. the village in question and the district headquarters and a sort of diffidence as to whether they could secure a job in which they would be interested.

People in the urban areas were, not surprisingly, comparatively better informed about the services provided by the Employment Exchanges than those in the rural areas; the services are more easily accessible in the cities. However, the proportion of the registrants was not very much higher in the cities, only 9 per cent as compared to 7 per cent in the rural areas. In both sectors, there is a considerable apathy regarding the Employment Exchanges. Due to continuous frustrations, many unemployed have turned quite cynical.

The results of this field study show the contribution of the Employment Exchanges in minimizing, let alone solving, the problem of unemployment in Karnataka has been only marginal.

## EMPLOYMENT EXCHANGES

According to the recommendations of the "Committee on Employment Service", sponsored in 1948 by the International Labour Organisation, the functions of employment exchanges should be:

> to ensure, in co-operation with other public and private bodies concerned, the best possible organisation of industrial, agricultural and other employment as an integral part of the national programme for the full use of productive measures. [1]

It was not until 1945 that a regular Employment Exchange came into being in Karnataka. Its services were at first meant mainly for helping men and women discharged from military service, as at that time the problem had assumed serious proportions consequent on the end of the Second World War. In the late 1940s, the Government of India opened the Employment Exchange facilities to all categories of the unemployed. The Regional Employment Exchange at Bangalore was the first to extend its operations covering the then Mysore State of nine districts. In 1952, one more Employment Exchange was established at Mysore City for the benefit of the residents of the districts of Mysore, Mandya and Hassan. After the re-organisation of the State in 1956, Employment Exchanges came to be established gradually at the headquarters of all the 19 districts of the State. There were only 7 Employment Exchanges in Karnataka during 1956-1958 as compared to 13 in Andhra Pradesh. In 1959, the number increased to 11 and in 1960, 4 more Employment Exchanges were added and the process continued till the end of 1962, by which time the State had 20 Employment Exchanges - one in each district and an additional one at Bangalore, the State capital. Even this number seems to be inadequate if one considers the output of educated young men and women by various educational and training institutions in the State. Certain districts are large in geographical area while certain others have large population concentrations. In all such districts (e.g. Dharwar, Bijapur, Belgaum, Gulbarga, Raichur etc.) the State should establish at least one more Employment Exchange, so that its services can reach a larger section of the population.

At present the Employment Exchanges are concerned almost exclusively with the educated and skilled personnel and there is hardly any provision to serve the uneducated and unskilled or semi-skilled ruralites. This lacuna may be overcome by establishing Employment Exchanges at the rate of one exchange for every 100,000 population or at the headquarters of each taluk for the benefit of the villagers. Such a measure would help the State to get accurate statistics about unemployment in rural and urban sectors and in turn would help in planning for optimum utilisation of available manpower in various regions.

The budgetary provisions for Exmployment Exchanges are quite inadequate and sometimes irrational. For example, in the Annual Plan for 1975-1976, the budget estimate for Employment Exchanges was Rs. 350,000. However, the estimate was revised later and reduced to Rs. 180,000. [2]

## Employment Exchange for physically handicapped

According to a rough estimate there are 3.5 million physically handicapped persons in Karnataka. They have to struggle hard to acquire educational or vocational qualifications and then compete with the normal persons for securing employment. [3] The State has not officially identified this group as a weaker section of the society to receive special treatment. However, some marginal concessions are offered regarding admissions to technical courses, grants of scholarships and preferential consideration for certain types of jobs. Statutory safeguards such as relaxation of age limits and qualification bars at the time of recruitment and reservation of a certain percentage of jobs in various categories are essential, if the State is committed to ensure the welfare of this unfortunate section of the population.

At present one Employment Exchange, started in 1962, is functioning at Bangalore for rendering service exclusively to the handicapped persons. The Government of India have earmarked Rs. 110 million in the Fifth Five Year Plan for expansion of the organisation for rehabilitation of the physically handicapped. In Karnataka, it is necessary not only to open a few more such Employment Exchanges but also to issue effective directions to public and private industries and public institutions to accord preferential treatment to the handicapped in the matter of recruitment.

The Scheduled Castes and Scheduled Tribes as also certain others classed as "backward classes" [4] have for quite some time, been enjoying special treatment and job reservations. It was recently announced in the Legislative Assembly by the Labour Minister for Karnataka, that a separate Employment Exchange would be opened in Bangalore for exclusively handling the applications of the Scheduled Castes and Scheduled Tribes in respect of jobs reserved for them. [5]

## Live register projections

Statistical data available with the Employment Exchanges constitute an important source material for studying the problem of unemployment. These data, however, are not complete; they cover only urban areas and only the educated unemployed. All the unemployed need not necessarily register their names and all the registrants need not be unemployed.

A survey conducted by the Bureau of Economics and Statistics in Kerala in 1962 revealed that about 32 per cent of the persons registered as unemployed in the live registers of the various employment exchanges were actually employed. [6] A similar investigation in Karnataka in 1971 showed that the proportion of such persons was 49 per cent. [7] Therefore, these statistics may be looked upon as mere approximations which may indicate the trends.

The number of applicants on the live registers of Karnataka and the percentage of placements each year are indicated in the following table, where the percentage placements in the adjoining States are also given for comparison.

A perusal of figures relating to Karnataka shows how the number of applicants on the live registers has rapidly increased during the past decade and how with regard to placements it has not been possible for these exchanges even to keep up the status quo. The number of registrants has increased by about 15 times during a period of 20 years. This phenomenal increase may be attributed to the expansion of the Employment Exchange services to all the districts of the State and the awareness created by its activities among the general public. In the initial stages, upto 1963, in spite of a considerable increase in the number of registrants, the percentage of placements did show a positive trend. But after 1962, except for a slight upward push in 1969 and again in 1971, the general tendency has been that of steady decline in the percentage of placements. Obviously, the growth of employment over these years has not kept pace with the influx of persons to the labour market. According to employment market information reports, during the period 1957 to 1973, the employment growth rate in the organised sector was less than even 5 per cent. Naturally the result has been that of mounting unemployment and the consequent severe competition among the aspirants.

It is obvious from the above statement that the performance of Employment Exchanges in the adjoining States is equally unsatisfactory. In Kerala at the end of 1974, there were 588,000 registrants as compared to 157,000 in 1966. [8] During the same period, the percentage of placements to applicants suffered a steep decline, from 10.7 per cent to a mere 2.3 per cent. In Kerala too the percentage of placements registered appreciable increases during the early phase but from 1962, except

Table VI:1. Placements by the Employment Exchanges of Karnataka, Kerala, Andhra Pradesh and Tamil Nadu

| Year | Karnataka | | Kerala | Andhra Pradesh | Tamil Nadu |
|---|---|---|---|---|---|
| | No. of applicants on Live Register at the end of the year | Percentage of placements during the year | Percentage of placements during the year | Percentage of placements during the year | Percentage of placements during the year |
| 1956 | 25,524 | 9.7 | N.A. | N.A. | N.A. |
| 1957 | 29,060 | 8.6 | N.A. | 16.3 | N.A. |
| 1958 | 40,507 | 11.0 | 6.1 | 18.5 | N.A. |
| 1959 | 51,954 | 11.0 | 8.9 | 17.7 | N.A. |
| 1960 | 68,654 | 11.6 | N.A. | N.A. | N.A. |
| 1961 | 83,412 | 15.2 | 13.7 | N.A. | N.A. |
| 1962 | 95,589 | 15.0 | 12.4 | 18.6 | N.A. |
| 1963 | 110,002 | 13.2 | 12.8 | 21.7 | 16.35 |
| 1964 | 117,334 | 11.8 | 10.2 | 27.6 | 18.05 |
| 1965 | 138,942 | 12.0 | 13.1 | 28.5 | 20.84 |
| 1966 | 148,688 | 11.3 | 10.7 | 23.4 | 19.43 |
| 1967 | 175,221 | 9.0 | 8.7 | 14.4 | 17.03 |
| 1968 | 197,262 | 11.5 | 7.7 | 12.4 | 12.34 |
| 1969 | 216,927 | 12.0 | 7.4 | 9.6 | 11.77 |
| 1970 | 240,204 | 8.0 | 6.1 | 9.3 | 10.55 |
| 1971 | 273,678 | 10.4 | 4.5 | 7.5 | 8.19 |
| 1972 | N.A. | 9.0 | 2.5 | N.A. | 10.39 |
| 1973 | 312,402 | 7.4 | 2.3 | N.A. | 8.44 |
| 1974 | 340,396 | 6.3 | N.A. | N.A. | 8.66 |
| 1975 | 368,236 | 6.3 | N.A. | N.A. | N.A. |

N.A. = Not available

Source: Statistical Year Books, Bureau of Economics and Statistics, Government of Karnataka, Bangalore; "Employment Exchanges in Mysore Fact Book" Directorate of Evaluation and Manpower, Bangalore 1968; Statistical Abstract of Andhra Pradesh, Bureau of Economics and Statistics, Government of Andhra Pradesh, Hyderabad, 1956 to 1959, 1968 to 1972; "Tamil Nadu - An Economic Appraisal" 1975, Madras, "Kerala, An Economic Review" 1959, 1965, 1974. Bureau of Economics and Statistics, Government of Kerala, Trivandrum.

for a sudden spurt in 1966, the general trend has been that of a continuous decline. In Andhra Pradesh the number of registrants stood at 281,063 in 1970 compared to 102,589 in 1960. The decadal increase in this State is much less than what has been observed in Kerala. But as in Kerala here too the percentage placements registered a noticeable decline. In Tamil Nadu the highest percentage of 20.84 was observed in 1965 and during the same year Andhra Pradesh too reported the highest percentage of placements, 28.5 per cent. It is difficult to say whether the higher percentage of placements in Tamil Nadu and Andhra Pradesh compared to Karnataka and Kerala in the middle of the 1960s implies that the performance of the Employment Exchanges in the two last mentioned states was poor in comparison to that of their counterparts in the other two southern states of India or whether the difference was actually due to differences in employment opportunities.

A study of Employment Exchange data shows that, in 1961, about 18 per cent of the total placements was cornered by the Bangalore Employment Exchange. The one at Bhadravathi accounted for 11 per cent in 1961 and 7 per cent in 1965. [9] In spite of the rapid increase in the number of public enterprises, institutions and offices in Bangalore City, the Employment Exchange here has not been able to improve its percentage of placements to the number of registrants. [10] The imbalance in placements, both areawise and sexwise appears to be a normal feature in Karnataka. The sexwise data reveal that with regard to registrations and also placements the females are very much outnumbered by males. The position becomes clear from a perusal of Table VI:2, which requires no explanation. [11]

The Employment Exchange data relate mainly to the educated and comparatively better-informed sections of the population. The number of registrants on any particular date, therefore, represent only a portion of the "unemployed". Registration in Employment Exchanges by job seekers is not compulsory and similarly there is no binding on the part of the employers and institutions to notify all the vacancies to Employment Exchanges and recruit men and women therefrom. Most of the industrial establishments and institutions recruit persons directly. In 1957, the average number of employers utilising the services of Employment Exchanges was 151. This number increased to 226 in 1958 and to 296 in 1959.

Table VI:2. Statement showing sexwise registrations and placements in Employment Exchanges of Karnataka during the III Plan period (1961-1965)

| Year | Sex | Registrations | Placements | Percentage of placements to registrations | Percentage of | | Sexwise percentage of | |
|---|---|---|---|---|---|---|---|---|
| | | | | | Registration to the total | Placements to the total | Registrations | Placements |
| 1961 | M | 1,26,302 | 19,636 | 15 | 18 | 21 | 90 | 91 |
| | W | 14,594 | 1,835 | 12 | 16 | 15 | 10 | 9 |
| 1962 | M | 1,46,953 | 22,541 | 15 | 21 | 24 | 89 | 91 |
| | W | 18,291 | 2,112 | 12 | 20 | 18 | 11 | 9 |
| 1963 | M | 1,49,012 | 19,374 | 13 | 21 | 20 | 89 | 88 |
| | W | 18,371 | 2,630 | 14 | 20 | 22 | 11 | 12 |
| 1964 | M | 1,35,617 | 15,562 | 11 | 19 | 16 | 88 | 86 |
| | W | 18,692 | 2,580 | 14 | 20 | 22 | 12 | 14 |
| 1965 | M | 1,52,311 | 18,065 | 12 | 21 | 19 | 87 | 87 |
| | W | 22,262 | 2,643 | 12 | 24 | 23 | 13 | 13 |
| Total 1961-1965 | M | 7,10,195 | 95,178 | 13 | 100 | 100 | 89 | 89 |
| | W | 92,210 | 11,800 | 13 | 100 | 100 | 11 | 11 |

M: Men W: Women

Source: Employment Exchanges in Mysore-Fact Book, Directorate of Evaluation and Manpower, Government of Mysore, Bangalore, 1968, p. 4.

Table VI:3. Industrial establishments and institutions recruiting through the Employment Exchanges

| Type of establishment | No. of vacancies filled during the years | | |
|---|---|---|---|
| | 1957 | 1958 | 1959 |
| 1. Central Government | 1,633 | 1,656 | 1,537 |
| 2. State Government | 2,391 | 4,571 | 7,966 |
| 3. Quasi Government and Local bodies | 541 | 225 | 308 |
| 4. Non Government establishments | 100 | 110 | 142 |

Source: Quarterly Bulletin of Statistics, Bureau of Economics and Statistics, Government of Mysore, Bangalore, 1959, pp. 46-47.

Obviously the non-Government establishments have not shown much interest in making use of the Employment Exchanges in Karnataka. From 1961 onwards, under the Compulsory Notification of Vacancies Act 1959, all the establishments having more than 25 employees are required to notify the vacancies to the Employment Exchange and obtain the services of the latter for recruitment. This Act, however, does not seem to have been enforced strictly all over the State and the Employment Exchange does not have any statutory authority to assess the number of vacancies likely to arise in any establishment and cross-check the same with those voluntarily brought to its notice by the employer. Lack of proper understanding and of co-operation between the employers and the Employment Exchange authorities are the real problems for which urgent solutions are to be found, if the Government intends to provide quick relief to the ever increasing number of unemployed. Much time and labour are spent on what one may easily describe as avoidable correspondence and procedures.

Among the registrants a large number belong to the category of matriculates most of whom do not possess any skills or training. For instance, of the 310,104 persons in the live registers at the beginning of 1974 as many as 265,065 persons belonged to such a category. [12]

The enactment of the Apprentices Act of 1961 has been of some help in reducing the number of unskilled matriculates in the employment market. The provisions of this Act require every industrial establishment to provide a course of basic practical training to a specified number of apprentices in specific trades depending upon its own size and nature of goods manufactured. In 1963, the apprenticeship training scheme started with 14 trades only and by 1971 it covered as many as 61 including specialized fields such as chemicals, food processing and catering, printing and commercial art, engineering etc. [13] However, there is apparently still much to be done in this field.

Irregularities in Employment Exchanges

It is generally alleged by the common people that the services rendered by the Employment Exchanges in Karnataka suffer from mismanagement, favouritism and other irregularities in the matter of registrations, priorities and placements. The politicians and administrative officers of the Government and public sector industries are the ones who wield considerable influence and, of course, corruption is also said to be rampant. [14]

A study on the effectiviness of Employment Exchanges conducted by the Indian Institute of Public Administration reveals that "the unemployed relied on other sources of information and help than the Employment Exchanges" and that, while most of the State Governments want appointments to private and public sector organisations to be routed through Employment Exchanges because of the poor functioning of the Employment Exchanges, these occupied the lowest position among sources for information. The study which took into account 3 major industries of textiles, chemicals and engineering found the major sources of job information to be "relatives and friends", newspapers and direct approach. The education level of the workers and their job information also revealed an interesting correlation. While for workers who have studied up to the school level, the main source appeared to be "relatives and friends", those with graduation and above relied largely upon "newspapers" as a source. Employment Exchanges figures very low in all cases. As regards the recruitment pattern of establishments, it was again found that Employment Exchanges were resorted to a much lesser extent compared to advertisements, direct method and employer's reference. [15]

Another odd factor which has recently been influencing the Employment Exchanges is what is called the "sons of the soil" theory. Each Linguistic State is deemed to belong to those who speak that particular language and have been residing within its limits for several decades. Those coming from other States are branded as outsiders and therefore not to be given employment. In spite of the long term implications of such a parochial attitude, the Union Government does not seem to have taken the matter with any seriousness. On the contrary, in a written reply the Union Deputy Minister for Home Affairs states as follows:

> the National Integration Council had recommended in 1968, that in order to provide adequate employment opportunities to local people and that they do not suffer from any sense of injustice, where qualified local people are available from amongst the people from the State, they should be given a major share of employment and employers should be requested to give effect to this objective as a matter of policy. [16]

The constitutional validity of such a policy in the Indian Republic is rather doubtful especially regarding services rendered by Government Departments. But the effect of such an executive measure is already felt. During the house to house survey, this author was told by a lady graduate from Kerala, but residing in Bangalore, how she was not allowed to get her name registered in the local Employment Exchange even though she explained to the authorities her economic plight and her need for a job. [17]

---

In summing up, it may be said that there is an urgent need to improve the working of the Employment Exchanges in Karnataka and to extend this facility to a wider group of the labour force without distinctions such as one's qualification, place of origin, language spoken at home etc.

Chapter VII

# EMPLOYMENT ORIENTED ECONOMIC POLICY

## ECONOMIC POLICY AND PLANNING

Since independence, India has embarked on the path of planned economic development. The nation has accepted the welfare state ideal and is striving to achieve all round economic development coupled with social justice. A series of five 5-year plans have been executed and the sixth plan is under formulation. As a result considerable progress has been made in the spheres of science and technology as well as in the economy of the country. For instance, due to increased investments on irrigation projects the land under irrigation increased from 50 million acres in 1947 to 100 million acres by 1969. [1]

Higher growth rate, impressive increase in industrial and agricultural produce do not necessarily diminish unemployment. For example in a country like Venezuela which had an annual growth rate of 10 per cent during the decade 1950-1960, unemployment at the end of the decade was much higher than what it was at the beginning. Manpower shortage has never been, nor is it likely to be, an inhibiting factor in the development of Indian economy. On the contrary, the availability of surplus manpower holds the key to economic development. In Sweden, due to feeble birth rates, manpower has had to be imported for the country's economic progress. Certain other western countries have been in a similar predicament. A healthy and growing economy can easily absorb the annual natural additions to the labour force. But in a developing economy such is not the case. The plans and programmes for development should aim to generate employment opportunities not only to clear the backlog of the jobless millions but also to absorb the annual additions to the labour force. It is worth-while to examine whether such a policy has been effectively adopted in Karnataka, and in India as a whole, during the recent past and if so, what the outcome of such efforts has been.

## Planning for general development versus intensive development

In India since 1951 emphasis has been laid mainly on general development covering almost every sphere of social and economic activity. It implies that the attention is diffused and encompasses a wide range of problems. This approach may be explained by analogy: it is like attempting to construct a large ten-room apartment by adding each year a door, a window, a few cubic feet of masonry work etc., covering a span of several years to complete the whole building for want of resources. In the process each year no addition is made to the actual habitable space. In contrast, if intensive development was aimed at, it would be possible to achieve quicker and useful results. The large apartment may be completed over a period of years, if each year some concrete addition is made to living space by a proper utilisation of the available resources even if such resources are meagre. In the Indian context, the intensive development approach, which can yield quicker and appreciable returns, appears to be more suited.

The method of production in agriculture as well as in industries and the technology adopted for the purpose are both important. Soon after independence India was faced with the dilemma of choosing between the policy of agricultural development with low capital investment on the one hand and that of heavy industrial development on the other. At that time the national leaders held the view that,

> Nobody measures economic progress by the standard of living of the people; the yardstick is the output of coal and steel... It postulates that the overall economic growth of a country can and must be measured by the output of capital goods, regardless of its impact on the present or future standard of living of the people. [2]

Commenting on capital intensive industrial policy in India, Woytinsky writes,

> Practically, there can be no doubt that India must develop certain lines of heavy industries. Taking into account her natural resources and her demand for iron rods and sheets for highways, rail-roads, agricultural ma
> sion to build three of four large steel rolling mills under the Second Five Year Plan is probably sound. It can be defended without reference to any theory of the special role of heavy industries. I object to this not because of its direct implications for practical policy, but it distracts the attention of the Govern-

ment and of public opinion from other, more significant factors of economic growth. [3]

Another unfortunate fact in this connection is that even in the construction of huge dams and such other projects having ample scope for the application of labour-intensive methods, there has been a persistent bias towards adoption of the capital-intensive methods. In several cases investments on costly equipments turned out to be a waste. Occurence of such things is clear from the following:

> The extension of large projects under time schedule has brought about a certain amount of mechanization of works through imported earth moving machines and other equipments, heavy trucks, etc., at enormous initial and recurring expenditure. How far this process of mechanization is consistent with the objective of planning to provide increased employment and with an economy in expenditure in the long run are matters which require careful study. We were given to understand that imported equipment and machinery valued at crores of rupees are lying idle at Yermaras and Lakkavalli and perhaps in other project areas also. The efficient upkeep and full utilisation of these costly machines does not appear to be receiving the attention it deserves. If the large number of earth moving machines and other equipment now lying idle could be repaired and reconditioned for further use, it is possible that the expenditure on import of new machinery and foreign exchange difficulties could be overcome. Meanwhile we would raise the policy question of the degree of mechanization of public construction which may be permitted consistently with the employment targets of planning. We feel that the types of work in several projects which may be mechanised should be specifically laid down, fixing also the proportion of expenditure on mechanization to total outlay, and a ceiling limit for such expenditure. [4]

An examination of progress during the past two decades and a half shows, in retrospect, that by giving priorities to all round general development the Planning Commission has undermined the very essence of the socio-economic objectives. The plan outlays for general development have been so large that resource mobilization has always fallen short of the requirements. Under such conditions, it is but natural that mass unemployment became more and more acute with the passage of time.

IMPACT OF PLANS IN KARNATAKA

The outlay for Karnataka's first Five Year Plan (1951-1956) in the State sector was of the order of Rs. 476 million. But the actual expenditure amounted to Rs. 405 million. [5] This plan was in respect of the 10 districts that formed the Mysore State at that period of time. The second Five Year Plan (1956-1961) was launched after the reorganisation of States. Against planned outlay of Rs. 1,451 million the actual expenditure during the plan period was Rs. 1,426 million. It may be noted here that the areas added on to the State as a result of the reorganisation were very backward. Naturally, these areas attracted the attention and much was spent on building up the required infra-structure and providing basic amenities and essential services to the people. The plan effort in the entire State was consequently bogged down. That the concerned authorities recognised the realities and tried to set the matters right becomes clear from the following:

> Planning in Mysore has had a somewhat chequered course owing to factors beyond its control. The First Plan related to the old State. Owing to the States reorganisation, the Second Plan also proved largely to be a task of getting over certain unavoidable difficulties in the process of economic development. In this sense it might be said that the Third Plan represents a crucial stage in Mysore's economic growth. [6]

During the First Plan priority was given to major and medium irrigation projects followed by power, agriculture and allied activities, the respective allocations in terms of percentages being 33.8 per cent, 29.6 per cent and 10.6 per cent. During the Second Plan also major and medium irrigation maintained its first priority (22.7 %) followed by social services (22.3 %), power (18.8 %) and agriculture (11.5 %).

Paradoxically enough, the same Government in another document laid claims to economic development in the following terms:

> The last ten years have witnessed tremendous change in the socio-economic structure of our country. Under the impact of the Five Year Plans, the nation has made a significant advance towards prosperity and higher levels of living. The trends of economic development generated by the First Plan has been intensified by the Second Plan, and India is thus now close to the phase of the "take off" into self-sustaining economic growth. Evidence of these changes manifest everywhere...At the present

juncture, when the Third Plan has just started unfolding itself, it is, therefore, appropriate that due realization should be had of the important achievements that have been made under First and Second Five Year Plans of Mysore State so as to enable us to face the future with confidence and hope. It could readily be seen from it that Mysore is one of the leading States in India in the field of planning. 7

Obviously the foregoing claims are misleading and are to be viewed more as morale boosters than as critical appraisals of the realities. Neither India nor Karnataka were anywhere near the "take off" stage in 1961 and a comparison among the various States amply shows that progress was quite slow in Karnataka. The targets set - and the achievements - were quite insignificant to promote economic growth, let alone remove poverty and unemployment. The two plans perhaps served as a warming up exercise in planning for development. The Resources and Economy Committee, in its report concluded:

The question which we posed in the beginning are whether i) the expected benefits under the two plans have accrued and, ii) the expenditure incurred on the plan schemes has been commensurate with the results achieved. While some benefits are bound to be reaped when such large sums are spent, some part of the expenditure at least has proved to be wasteful and ineffective... The rate of growth of State economy under the two plans is three and a half per cent. The two plans have not succeeded in accelerating the growth of the State's economy to come up to the all India level. Per capita income in the State continues to be lower than the all India average by more than 4 per cent. Food, clothing and shelter being the primary requirements of life, continued shortage, decline in cloth production and lack of housing facilities in the country are the measures of the deficiencies and short comings in the plans which are still to be made up. 8

The size of the third Five Year Plan was fixed at Rs. 2,500 million and, of this, the State's own resources accounted for Rs. 1,100 million, the balance being central assistance. Irrigation, which enjoyed high priority during the first two plans, was relegated and, during the Third Plan much importance was laid on generation and distribution of power. Social services, however, retained the second priority and as a consequence agriculture and allied activities were neglected. The outlay for industries and minerals were reduced from 8.1 per cent to 6.4 per cent in the Third Plan. 9

There was a recess in projection of five year plans after 1966, when instead of launching the fourth Five Year Plan, Annual Plans were moot-

ed successively for three years. The wars with Pakistan and China undermined the plan efforts. Added to this, failure of rains during 1965-1966 enfeebled the economy of the country. The outlays for the Annual Plans of Karnataka stood at Rs. 530 million (1966-1967), Rs. 602 million (1967-1968) and Rs. 513 million (1968-1969). [10] The mode of allocation and the priorities remained almost identical during these three plans.

> In terms of financial priorities, the power sector continued to be the single biggest sector in all the three annual plans, amounting to 29.6, 30.0 and 29.2 per cent of total outlay in 1966-67, 67-68 and 68-69 respectively. Next in order came agriculture and allied services, transport and communication, community development and co-operation, industries and mining and miscellaneous in that order. The annual plan outlay since 1966-67 have been far less than a fifth of the original plan outlay envisaged for the period 1966-71. [11]

Notwithstanding the priority accorded to the power sector for over a decade, the State could not achieve self-sufficiency of a durable nature. The power generation and supply position which was quite satisfactory towards the end of the sixties fast deteriorated into one of continued shortages and power cuts by the early seventies. The State could not cope with the ever growing demand for power and the problem was aggravated by a spell of droughts in successive years.

The fourth Five Year Plan for the State (1969-1974) envisaged an expenditure of Rs. 3,500 million and its main objective was to achieve a growth rate of 5 to 6 per cent in agriculture, and to accentuate self-sufficiency in food production. [12] Once again irrigation was given first priority, the allocation amounting to 25.07 per cent of the total outlay while power with 25 per cent and agriculture with 22.08 per cent held the second and third priorities respectively.

At present, the fifth Five Year Plan is being implemented. The outlay accounting for Rs. 8,880 million is really impressive. In the matter of priorities, irrigation and power development together share 44.5 per cent of the expenditure envisaged; social services account for 24.21 per cent and agriculture and allied activities occupy a lower priority with only 17.78 per cent. In the fourth and the fifth plans social services gained precedence over agriculture with a view to eradicating mass unemployment and poverty. In spite of such an avowed objective, the plans did not provide for any unemployment allowance or

social help to the old and the needy by way of old age pension etc.; it appears that these measures which are so common in western countries are not even thought of in India.

## EMPLOYMENT, A FORGOTTEN FACTOR IN THE FIVE YEAR PLANS

In the First and Second Five Year Plans for Karnataka, no specific reference was made to the problem of unemployment and in the plan outlays the employment factor was apparently forgotten. The significance of employment creation and its potential are discussed only in the plans that were drawn up subsequently, that too in a superficial manner. For example, the annual plan for 1972-1973 devoted a few lines only for this topic and the comments read as follows:

> Several measures have been taken to meet both urban and rural unemployment. Some of the important schemes implemented to deal more directly with the vulnerable sections of the population and areas affected by unemployment are SFDA (Small Farmers' Development Agency), MFAL (Marginal Farmers' and Agricultural Labourers), Crash Programme for Rural Employment, Rural Works Programme etc. [13]

The plan document does not give any information on the nature and extent of employment creation, amount of investment envisaged, addition to production of goods thereof and such other factors. The general principle appears to have been that through the Five Year Plans employment opportunities are created indirectly through the general development of the country as a whole especially in the sectors such as irrigation, power, industries, transport and communication, agriculture etc. It is true that "general development" creates an atmosphere conducive to an expansion of job opportunities in a variety of fields. But in certain sectors and under certain circumstances the results tend to be insignificant in comparison to the investments made. For example, capital intensive industries do not appreciably increase additional employment opportunities despite heavy investments. There is an erroneous idea that advanced technology would pave the way for a higher job rate and subsequently for faster economic development, so that poverty is wiped out. Capital intensive industries could hardly provide an answer to a country facing problems like over-population, mass unemployment and poverty.

In the absence of a normative plan based on long range strategy on creation of enough employment opportunities and on the type of techno-

logy to be adopted, the purpose of planning for development is lost. In Karnataka, the conceptual and methodological issues involved in generation of more employment have by and large been ignored while drafting the developmental plans. However, the recent trends indicate a change for the better. The Government has recently initiated the move to provide financial assistance to unemployed graduates for starting small scale industrial, servicing and commercial establishments in a bid to encourage "self-employment" and discourage the tendency among the educated to hanker after salaried jobs. Such assistance has also been extended to the economically weaker sections with a view to prevent exploitation of this vulnerable section by the rich. A Directorate of Land Army has also been constituted in the State to mobilise the rural unemployed and seasonally employed and provide them work by taking up construction projects useful to the community. If such steps had been taken up by the State from the very beginning of the era of planned development, the economy of Karnataka would by now have been in a better shape and consequently the problem of unemployment and seasonal employment would have been less severe.

## KARNATAKA - A COMPARISON WITH OTHER STATES

The priorities assigned and the progress achieved through the process and implementation of planning in the adjoining States of Andhra Pradesh and Tamil Nadu are quite impressive, especially as compared to Karnataka. Even though these two States also gave first priority to irrigation and power, it was possible for them to obtain fruitful results because of effective and timely implementation of the projects. Karnataka suffered due to implementation gaps. In a review of the economic development of Karnataka it has been noted that

> A comparison of the level of development in our State with that of some other States shows that the pace of economic progress in our State is slower. The per capita income of the Mysore State in 1964-65, for which year data on per capita income of other States is also available, was Rs. 385. The State lagged behind Punjab (Rs. 575), Maharashtra (Rs. 524), Tamil Nadu (Rs. 416) and Andhra Pradesh (Rs. 397), and the per capita income of the State was less than the national average of Rs. 429. As regards living standards in 1963-64, the latest year for which the comparable figures of per capita monthly expenditure for all the State is available, the per capita monthly consumer expenditure in the rural areas of Mysore was Rs. 20.43, i.e. about the same as the national average. But in the urban areas of the State, the monthly consumption expenditure was Rs. 25.88,

> whereas it was Rs. 32.96 for the country as a whole. The per capita rural and urban monthly expenditure in the State were lower than in Andhra Pradesh (Rs. 20.76 and Rs. 28.16), Tamil Nadu (Rs. 23.39 and Rs. 31.47), Maharashtra (Rs. 21.72 and Rs. 37.24), Punjab (Rs. 28.65 and Rs. 34.33), Uttar Pradesh (Rs. 21.31 and Rs. 29.17) and West Bengal (Rs. 23.69 and Rs. 41.66). Thus, generally the monthly per capita expenditure in Mysore is less than most of the other States in India. [14]

In 1969-1970, the per capita income for Karnataka stood at Rs. 502. However, its position in comparison to other States remained almost unaltered. The per capita income for Punjab, Haryana and Tamil Nadu for example stood at Rs. 945, Rs. 788 and Rs. 616 respectively. Three years later, in 1972-1973, Tamil Nadu which held the 17th place among the States earlier moved up to occupy the 4th place with a per capita income of Rs. 730. But, Karnataka with its per capita of Rs. 569.9 continued to lag very much behind.

Considerable differences exist between Karnataka and the adjoining States in the matters like land utilisation, irrigation facilities, industrial output etc. Cultivable waste land in Karnataka formed 21.6 per cent, whereas in Andhra Pradesh the proportion of such land was only 15 per cent. Assured irrigation was available for 17.1 per cent of the cultivable lands in Karnataka as compared to 33.6 per cent in Andhra Pradesh. The gross value of industrial output increased between 1956 and 1969 at different rates in the States: (i) Karnataka 186.3 per cent, (ii) Tamil Nadu 224.4 per cent, (iii) Punjab 203.7 per cent, (iv) Rajastan 220 per cent and (v) Madhya Pradesh 307.1 per cent. [15]

On the whole, during this period of 13 years, Karnataka did achieve considerable progress in the output of pig iron, steel, paper, cement and sugar. In assessing the results of development one should take note of the impact on the rate of employment generation and changes in the traditional pattern of economy. On both these counts Karnataka seems to have been quite unsuccessful: unemployment continued to increase during this period, the economy was as deeply rooted as before in tradition-based agriculture and there was no significant change in the occupational pattern. [16] Growth of industries, though not spectacular, helped to some extent to keep down the magnitude of educated unemployment, particularly in urban areas. It becomes evident from the following that encouragement was not given to industries during the Fourth Plan.

> It has to be admitted that the proposed outlay of Rs. 17.25 crores on industries is...not commensurate with the size of investment (viz. Rs. 31.25 crores) which the Government originally contemplated, keeping in view the overall position of resources and needs. Added to this, the claims of the State Government for equitable allocation of finances have been unfortunately ignored by the Fifth Finance Commission... resulting in adverse effects not only on the industrial sector but also on all other developmental programmes that the State had envisaged for the Fourth Plan. In the context of the meagre financial resources at the command of the State, it would only be possible for the State to provide at best, infra-structural facilities largely required for industrialization. [17]

Development of an efficient transport and communication network is of vital importance for economic growth. With regard to railway facilities, Karnataka is comparatively deficient, for it has a total length of only 2,757 kms, which works out to 14.4 Km. per 1,000 Sq.Km. of area. The average for India is 18 Km. per 1,000 Sq.Km. and that for Tamil Nadu, Kerala and Andhra Pradesh works out to 28 Km., 23 Km., and 17 Km., respectively. [18] Added to this poor network of railways, Karnataka suffers from the lack of waterways also. As a result, road transport is of utmost importance. As on 31.3.1974, the road length in Karnataka totalled 70,383 Km. spread over an area of 1,91,757 Sq.Km. The effective road length available for transportation came to only 21 Km. per 100 Sq.Km., as compared to the all India average of 30 Km., per 100 Sq.Km. [19]

Karnataka has achieved some significant progress in the fields of power generation and production of silk. In 1952 the installed capacity for power generation was 1,79,200 KW and this rose to 9,66,660 KW by 1971. The industrial power consumption in 1966-1967 was 42 KWh which, though slightly above the all India average of 40.6 KWh, was very much lower than that in Punjab (85.5 KWh), Maharashtra (79 KWh) and Tamil Nadu (54 KWh). Karnataka and also Andhra Pradesh have made remarkable progress during the past decade under rural electrification programmes. However, such extension of electricity does not appear to have provided any impetus to the growth of small scale industries in rural areas and consequent increase in employment potential. The main objective of the programme appears to have been the provision of lighting facilities to the rural folk rather than generation of additional employment through expansion of irrigated area and industrialisation. Furthermore, Karnataka had to face power shortage from the early seventies and it is hoped that the position would improve only by 1984 when

the Kalinadi Hydro-electric Project is expected to be commissioned. As the matters now stand, the State Government is frantically negotiating with the adjoining Kerala and Maharashtra to secure the surplus power available in those States.

Karnataka produces about 80 per cent of the total output of raw silk in the country. The remaining 20 per cent is shared by Jammu-Kashmir, Assam, Uttar Pradesh, Andhra Pradesh and Tamil Nadu. In Karnataka this industry provides work to nearly 200,000 persons in rural areas. Sericulture is practised in the State as an auxiliary to agriculture and is labour intensive. The process of silk production involves cultivation of mulberry plants, rearing of silkworms for cocoons, reeling of cocoons and spinning of yarn, besides the allied activities of dyeing and weaving. As a result, the industry can provide work to a large number of persons. The State Government has plans for implementing an export-oriented "Silk pilot production project" which would extend assistance to some 5,000 silk handlooms for 3 to 5 years. [20] In Karnataka Tassar silk can also be produced in the forest belts if a comprehensive scheme is drawn up for the purpose. During this field study some of those engaged in the silk industry narrated the shortcomings on the part of the Government, like (i) inadequate supply of disease-free seeds and inefficiency, (ii) lack of financial assistance to co-operative societies and, (iii) exploitation by middlemen for want of properly organised marketing facilities. Real progress can be achieved if timely steps are taken to curb the monopoly enjoyed by a few and stop exploitation, thereby creating an atmosphere that would enthuse the villagers to willingly take up this work. At present 90 per cent of the silk production is controlled by the private sector. The units under Government control are incurring losses year after year. Urgent remedial measures are therefore a must if the State desires to develop this industry.

## PLAN IMPLEMENTATION AND PRIORITIES

The effective implementation of plans in accordance with the priorities assigned is of utmost importance if the objectives of the plans are to be realised within a reasonable period of time. In Karnataka, the one sector which could have been utilised for expanding employment opportunities, viz. agriculture and allied activities, was relegated to the background during the first three Five Year Plans. In spite of

high priority assigned to irrigation and power, Karnataka could not attain the desired results due to implementation gaps. The implementation apparatus or agency in India is very poor in efficiency and the situation in Karnataka is no exception. Hurdles and bottle-necks pose problems from the very initial stages and cause avoidable delays at every stage. During the field visits in 1975 to the sample villages, it was noticed that several medium and minor irrigation project works had been left unfinished for reasons such as lack of funds, political pressures, disputes between the contractor and the Government department on matters like accepted and actual rates etc. In such cases, it would be wrong to say that the projects are under progress, since they have evaporated at the very grass root level. To achieve the objectives of the plans, it is necessary to have an efficient administrative machinery which does not swerve from the proper path in the face of political pressures, and also to organise the entire activity with meticulous care in order to ensure co-operation of personnel belonging to various departments and lastly to offer proper inducements and motivate the workers and the people alike. Although planners are responible for drafting the document and fixing up the allocations and priorities they are said to be lacking in administrative experience in India. The State has the responsibility to fuse together the perspectives of the planners on the one hand and of the administrators, who act as the executive arm, on the other. Measures to co-ordinate the efforts of all concerned would help each one of them to keep pace with the developmental process and to effectively and quickly solve the problems which may arise from time to time and also to keep a watch on the pace of social and economic changes taking place in the concerned areas in particular. Resistance to change, if any, can also be overcome by adopting timely and suitable strategies.

Lack of political stability due to groupism in the ruling party or the increasing influence of the opposition parties wedded to different theories of economic development is yet another deterrent factor in effective implementation of the plans. It is therefore necessary to have a national consensus regarding the plans and priorities and once these are accepted, they should be earnestly implemented, no matter which faction of the ruling party is powerful or which party is at the helm of affairs. It is only under such conditions that one can expect that the necessary political will would continue to operate despite the inevitable changes in political administration of the State. It

would then be far easier to eliminate the problem of unemployment within a reasonable period of time. The magnitude of unemployment amongst the labour force, as revealed by this study, is so great as to cause real distress especially when viewed in relation to the extent of seasonal employment which is prevailing in the State. It is time that an integrated and well thought out development plan to provide work for all the able-bodied citizens of the State is prepared through consensus and active involvement of the leaders of the community, politicians, statesmen, administrators, industrialists, social workers etc., who represent various shades of expertise and public opinion. If the matter is left to drift, as it is now being allowed to, the rates of full unemployment and seasonal unemployment are likely to move up with greater speed and badly affect the economy of the State.

## Chapter VIII

## APPROPRIATE STRATEGY OF EMPLOYMENT CREATION

### INDUSTRIAL AND MINERAL DEVELOPMENT

As is already mentioned in the introductory chapter, Karnataka is rich in mineral resources; among the 21 states in India, it ranks as number five in the matter of mineral yields. It is the only state producing gold. There are large deposits of iron ore, manganese, chromite, corundum, only to mention a few of the minerals that are to be found in Karnataka. Recent investigations have shown the existence of large deposits of aluminium and copper. [1]

Particularly the Bellary-Hospet region is noted for its iron ore deposits. In this region the Government has proposed to set up the Vijayanager Steel Plant during the Sixth Five Year Plan and thus create conditions for its rapid economic development. The National Mineral Development Corporation, which is a Government of India undertaking, has already taken up the Doni-Malai Project for large scale exploitation of the iron ore in this region.

In the matter of exploitation of mineral wealth, the performance of Karnataka is regarded as rather unsatisfactory and the extracted ore is exported without much processing. [2] Sufficient thought does not seem to have been bestowed on the aspect of utilising the available manpower and minerals for the further processing of the ores and for production of manufactured goods.

At present only 10 per cent of the mineral resources is being exploited. According to the 1971 Census, only 0.51 per cent of the total number of workers in Karnataka are engaged in mining and quarrying activities. [3] It has recently been proposed to establish iron ore pelletisation plants with a view to generate more employment and provide some relief to the unemployed. This is a step in the right direction. What is required is the implementation of the proposals. The comment is all the more valid because several proposals like intensive mining in areas such as Kudremukh, Donimalai, Ramanadurga, Karwar, and Dandeli, have remained unimplemented during the past few years. For example, the Kudremukh Project was taken up for evaluation during the Third Five

Year Plan, but no real progress was made for at least one decade thereafter. Similarly, nothing concrete has so far been done regarding the iron ore deposits near Karwar about which "The Mysore Economic Review" stated as follows:

> The State Government has drawn up a scheme for the prospecting and exploitation of the huge reserves of iron ore located near Karwar on the west coast just north of the already investigated Kudremukh iron ore belt. The Government was able to interest the Kaisers of the United States and a Consortium of Japan Steel Mills in the exploitation of these projects. [4]

A critical examination of the functioning of mining operations over the years brings out several irrigularities in leasing out mines, and in the issueing and renewal of licenses. It also shows the prevalence of primitive methods of mining, and the existence of a multiplicity of agencies, all ultimately resulting in considerable wastage and under-exploitation of the mineral wealth. The numerous but small mining agencies in Karnataka have their own problems and hurdles such as paucity of finances, lack of technical and skilled personnel besides the absence of a proper scientific outlook. Red tape and corruption are also important factors that dampen the enthusiasm of genuine entrepreneurs. The other problem which curtails expansion of the activity is that of clearance of the extracted ore from the site by the purchasing agency (namely the Minerals and Metals Trading Corporation), and the comparatively low prices offered. [5] The profits are so meagre that there appears to be no incentive for further investments. The extract from an article in the "Survey of Indian Industries" published by "The Hindu" is an eye-opener in this regard. At present the mining operations involve hard manual labour and the labourers are generally not provided with satisfactory working conditions and basic amenities. The National Mineral Development Corporation should expand its activities to include and streamline all mining and processing of minerals and improve the working conditions of the labourers, so that more and more unemployed and seasonally employed persons would come forward to take up the work. Some amount of mechanization is also necessary. Radhakrishna points out that:

> mechanized mining involves heavy capital expenditure in acquisition of mining equipment, preparation of sites, provision of housing and other labour amenities like power, water supply, schools, hospitals etc. New skills are developed, leading to a prosperous industrial community. All these are missing where

> mining is concentrated in the hands of small individual operators who have no thought for anything else except a small margin for themselves...and suggests that the following measures are urgently required if Karnataka is to retain its place in the world market:
>
> (a) starting of large scale mechanized mines to produce high grade ores of uniform physical and chemical composition, (b) establishing new rail communications over the shortest distance to a nearby port avoiding long distance haulage, (c) developing those deposits which are close to the ports, especially some of the low grade deposits which are amenable for benefication, and (d) developing port facilities to receive large ships of 100,000 tonnes capacity and installing handling plants capable of loading such ore carriers in two days time. [6]

The Central as well as the State Governments are quite aware of the possibilities of expanding the mining activities in Karnataka and certain projects have also been prepared. The Kudremukh Iron Ore Project is one such and it promises to be one of the largest mining undertakings in India. The reserves of readily workable ore is estimated at over 3,000 million tonnes. The entire project and related infra-structure with an authorised capital of Rs. 1,500 million is being financed from a loan of 630 million dollars from Iran. The terms and conditions of the agreement concluded in 1975, indicate that India would export to Iran 150 million tonnes of ore concentrates starting from the year 1980. Developmental works such as construction of roads and bridges, a township with all civic amenities, auxiliary industries etc., have already begun and have in turn improved the employment opportunities in a part of the Malnad region of the State. It has been estimated that 700 engineers would be working at the main project site, at the peak construction period and the maximum strength of workers required would be around 30,000 including the clerical and other cadres. [7]

Though this picture of generation of job opportunities is most welcome one can not but comment on the wrong policy of the State to continue to export the raw materials. A pelletisation plant can also be set up near the project site and thus create more job opportunities. The example of Goa, which is shortly starting such a plant at an estimated cost of Rs. 435 million, with the proposal to export 1.8 million tonnes of iron ore pellets every year to Japan, is worthy of emulation by Karnataka. [8] In all these developmental activities care should be taken from the very initial stages to adopt labour-intensive methods to maximise employment creation.

Another project of importance proposed for Karnataka is the establishment of a Steel Plant at Toranagallu in Bellary district. Vast deposits of high grade iron ore found in the Donimalai Sandur range, abundant supply of water from the nearby Tungabhadra Reservoir and the availability of hydro-electric power from nearby stations as well as railway network connecting the place to Mangalore harbour (though through a circuitous route at present) are the favourable factors in the choice of its location in Bellary district. The proposed steel plant will have an installed capacity of 3 million tonnes of steel ingots per year. During the construction phase, this project is expected to provide employment to about 50,000 persons and thereafter its regular requirement would be about 20,000 workers. [9] The steel plant has immense potentiality for generating employment at different levels so as to absorb the educated, the technically qualified, the skilled and the unskilled manpower. When the steel plant is actually commissioned it will promote the emergence of a number of auxiliary industries in the region and this has been rightly regarded as a harbinger of prosperity to one of the industrially backward regions of Karnataka. It will provide impetus for the construction of new railway lines, erection of a thermal power plant at a nearby location and also for the setting up of a large number of commercial, educational and service institutions. The State Government has already acquired 2,500 hectares of land for building a large township at the project site. Meanwhile, the work relating to the Kalinadi Hydro Electric Project is going on and the power requirements of the Vijayanagar Steel Plant at Toranagallu could be easily met by synchronizing the progress of these two major works. The Kalinadi Project has a promise of providing employment to thousands of workers during the construction phase and, after its commission, would provide the much required impetus for large scale industrialisation of the State.

Minor industrial plants

An assured supply of minerals in adequate quantities is an essential pre-requisite for industrialisation. Substantial quantities of minerals like kaolin, quartz, limestone, feldspar, mica etc., are presently being used in minor industrial plants in different parts of Karnataka. With the proposed utilisation of iron ores in the Bellary-Hospet region and the consolidation of the progress achieved in Bhadravathy Iron Works (in the manufacture of alloy and tool steel) it is proper

to encourage the setting up of a large number of small industries in urban areas throughout the State so that the available wealth in the form of minerals, agricultural produce and forest produce, besides the manpower can be properly utilised for the overall economic development. Such a strategy would provide the much needed relief to the unemployed masses in villages and towns in the shortest possible time. In this connection it may be noted that some progress is already afoot and as an example one may mention the Sandur Manganese and Iron Ores Company. This Company founded in 1969 near Hospet is designed to produce 400,000 tonnes of foundry grade pig iron every year providing work to hundreds of workers. The presence of bauxite deposits in the coastal belt can be systematically exploited to provide work to a large number of unemployed persons of that region. Similarly an industrial plant can be set up at Bagalkot in Bijapur district to make use of the abundant limestone deposits in its neighbourhood. [10]

The cement industry in Karnataka, with its 6 factories, is at present providing direct employment to about 9,500 persons and indirect employment to about 7,000 persons. Experts feel that this employment potential can be easily doubled by proper encouragement. By permitting the exploitation of limestone deposits in Karnataka to derive overall national advantage the State and the Centre can earn more revenue and at the same time provide work to educated youth. [11] Likewise, the occurrence of Fullers' earth in the Chincholi area of Gulbarga district and the deposits of copper in certain areas of the districts of Gulbarga, Hassan and Chitradurga are waiting to be properly exploited.

It is now imperative for the planners, the policy makers and administrators to pool together their resources for an optimum exploitation of the mineral wealth and encourage establishment of mineral based industries all over the State. Ways and means are to be found in right earnest and priority should be accorded to such units which require relatively less capital but are more labour intensive. Concentration of industries in large cities should as a policy be discouraged and incentives provided for industrialisation of small and medium towns. Agro-based industries should also be given due encouragement in all such places, so that the twin problems of unemployment and seasonal employment can be tackled simultaneously.

## LAND, THE PRIMARY FACTOR IN EMPLOYMENT STRATEGY

Intensive cultivation, by extension of assured irrigation, adoption of modern tools and techniques of cultivation etc., and continuous addition to the area brought under the plough through reclamation of waste land are the factors which hold the key for generating large-scale employment opportunities in villages. This has been recognised by the State as well as the Central Government and some real progress has also been achieved. Since 1947, about 23 million hectares of land has been provided with assured irrigation in India and an amount of Rs. 30,000 million has been spent on large and medium irrigation projects all over the country. In Karnataka, the proportion of net area irrigated to net area sown was 7.06 per cent in 1956, i.e. at the time of reorganisation of the State. By 1971 this proportion had moved up to 13.40 per cent registering an average growth rate of about 6 per cent per annum. In 1974, the proportion further improved to 17.1 per cent. But, this fell short of the all India average of 26.8 per cent, and also the situation prevailing in the neighbouring states. [12] Financial investments on irrigation in Karnataka between 1956 and 1969 were Rs. 2,090 million whereas in Andhra Pradesh they were Rs. 2,317 million during the same period. [13] Evidently, the full irrigation potential has not been utilised and even in projects which have been commissioned, maximum utilisation has not been made possible due to certain bottle-necks. In the matter of establishing irrigation grids, linking various regions of the State, Karnataka would do well to emulate Uttar Pradesh which has drawn up a scheme which aims at linking one river basin with another and eventually connect all the scattered irrigation systems so that they work as one system. [14]

In the matter of execution of several irrigation projects there have been inordinate delays indefinite postponements and even in a few cases complete disinterestedness. The reasons have sometimes been lack of finance, sometimes delays in obtaining technical and financial clearance from the concerned authorities, sometimes negligence on the part of the contractors, sometimes disputes between the Government and the contractors regarding the financial and technical aspects, and river-water disputes between neighbouring states. It appears that in the initial euphoria generated soon after independence, a large number of projects were planned without consideration of the available finances and in total disregard of the inflationary trends.

It would be pertinent to ask whether in Karnataka, the irrigation projects have been employment oriented and also whether the benefits of plans and the extension of irrigated area have made any dent on the problem of unemployment. The available evidence shows that the answer is in the negative, for the emphasis has been laid more on major projects. Where men could have been employed instead machines were made use of, as pointed out in the preceding chapter. The appropriate strategy for enlarging employment opportunities would have been to lay more emphasis on a large number of small projects so that they could absorb surplus labour in villages. The low utilisation of the large irrigation projects, the existence of surplus water in large reservoirs, the long gestation period involved in the execution of major projects and huge investments of foreign exchange are some of the factors responsible for the diversion of the attention of the planners from major projects to minor works. [15] This realisation seems to have dawned rather late in Karnataka. Even now, notwithstanding the fact that the State has achieved the third plan target of 5.2 million hectares under minor irrigation, the position is not encouraging. During 1975, the sum of Rs. 15 million only was released as an additional allotment for minor irrigation. Vast areas of the State continue to be subjected to recurring drought conditions. As in Tamil Nadu, in Karnataka also an accelerated programme for standardisation and improvements of minor irrigation sources (such as deepening of wells, erection of tube wells, desilting of tanks) should be launched without any further delay.

Full utilisation of the existing irrigation potential is as essential as the creation of new sources of irrigation and the planning of new projects. [16] A recent study, by Central Government experts, of eight major irrigation projects in different States reveals the following information:

> It is notorious, however, that many of the States have been rather indifferent, for one reason or other, to effective utilisation of the water from their newly established reservoirs. It may be true that in some areas farmers are not used to double irrigation facilities even when they were available if they had to incur additional expense or take the trouble to prepare the land for double cropping. A political factor which used to affect the utilisation of new irrigation facilities in the past was the campaign by the opposition parties against the charging of the water rates, without regard to the fact that the new reservoirs have been built at heavy cost and it is but fair that the farmers should pay for the facilities which improve their earnings. This factor is no longer present. In any

> case it should not be difficult to persuade farmers to realise that what they pay for additional irrigation facilities is a fraction of what they can get by striving for higher yields and more harvests from the fields. [17]

Another contributing factor for such a state of affairs is the general tendency, among officials and welfare agencies, of shifting responsibilities and directing the poor farmer from pillar to post for having his papers processed. In sheer exasperation the ordinary man gives up his efforts at some stage and does not derive the intended benefits. Maintenance of field channels and ensuring adequate water supply are the important problems which - according to farmers - are not being properly tackled by the concerned officials. This was the impression conveyed to this author during his interviews with the people of selected villages in the districts of Mandya, Shimoga and Bellary. Such administrative lapses should not be allowed to continue and the attitude of the officials towards comman man should be so modified as to lend whole-hearted support to the State in realising its cherished ideal of a welfare State.

An efficient application of water and a change-over to intensive methods of cultivation involving labour intensive techniques would provida enough work to the rural masses and in turn would have beneficial effects on the other spheres of economy. William Easter's appraisal of facts confirms the validity of the above assumption,

> Based on the limited amount of historical data collected for the improved villages, the cropping intensity and irrigated area did increase after the field channels were installed. The proportion of the village crop land irrigated increased from 84 per cent to 97 per cent, while cropping intensity rose from 187 to 196 per cent. [18]

As Prof. Dandekar pointed in 1966, the planning and implementation of projects should be as follows:

> An irrigation project whether major, medium or minor should constitute not just an irrigation project but a comprehensive land and water development project in the area. This means that the project should concern itself not only with construction of irrigation works and distribution as at present, but also with the preparation of an efficient lay-out for the whole area commanded by the irrigation works, complete with levelling, bunding, field channels, roads and execute necessary works. In the absence of that the benefits of irrigation works are distributed extremely unequally. [19]

## REHABILITATION OF DISPLACED FARMERS OF PROJECTS AREAS

Major irrigation projects cause submersion of vast tracts of agricultural as well as non-agricultural lands. This in turn leads to displacement of population and consequent unemployment. In a way it generates inequalities and promotes regional imbalances causing rivalries. Even though the persons affected may be paid some compensation they are prone to migrate in search of better prospects and for want of adequate help. The study of rehabilitation efforts in respect of the displaced persons of the Tungabhadra Project area illustrates the point.

> In the case of Tungabhadra Project the magnitude of the problem posed a challenge to the concerned departments and people involved in the task. The vast expanse of the reservoir required 150 square miles of fertile valley lands...In all 65 villages comprising over 30,000 persons were dislocated by the reservoir. Bellary was the main sufferer where the dislocation affected 38 villages in Hospet and Hadagalli taluks and 18,000 persons needed rehabilitation. About 82 per cent of the affected population derived their livelihood from cultivation and agricultural labour. At present the rehabilitation of displaced farmers from the reservoir lands has not received full justice, despite much efforts by the Government. [20]

If a major irrigation project is taken up it is necessary to institute adequate precautionary measures - e.g. by redistribution of land - to settle all the displaced persons in the villages that are benefitted by the project. Instead of creating such problems on a large scale and thereafter trying to solve them, it would be more appropriate to give preference to small projects by mobilising the resources in men and material both of which are locally available. Putting up of small dams and barrages along the course of rivers and streams at numerous places, renovation of the innumerable tanks in the countryside, sinking of wells in villages are some of the measures which can be thought of.

## EMPLOYMENT GENERATION THROUGH ADOPTION OF BETTER METHODS IN DRY FARMING

Approximately 82 per cent of the net area sown in Karnataka belongs to the category of dry farming. Improved agricultural practices and the use of high yielding varieties can give increased yields. The work done in recent years on dry land farming techniques in Bijapur district has won appreciation from World Bank authorities. One of the pilot projects located in Bellary district has reported a yield of 18 quintals of jo-

war per hectare as compared to the average yeild of 5 quintals in the region. The Operational Research Unit on dry farming in Hyderabad has revealed that the farmers secured about 60 per cent of the possible yield if they were supplied with fertilizers, pesticides and such other inputs. [21] So, an integrated strategy of co-ordination and management of dry farming activity is urgently required to give a boost to agricultural production and thereby generate more employment opportunities in the rural areas.

Since it depends mainly on the timeliness and adequacy of rainfall dry farming as such can not provide work to people all through the year; those working on farms will have a few spells of half season. So, labour-intensive industries which can be operated during such off seasons are to be encouraged in these regions. Further, establishing a closer liaison among local officers of neighbouring states having contiguous dry tracts has now become a matter of vital importance because of the shift in planning. According to the latest thinking, an integrated region-wise approach is to be made to get the best out of the dry tracts of equal quality which cover the territory of more than one State. [22]

Irrigation through wells

The recurring droughts in several parts of Karnataka have underlined the urgent need to harness the vast potential of ground water resources on a large scale. Both private initiative and governmental as well as institutional assistance are required for such a programme to be successful. A well from which water is lifted with the help of a mechanical device using manpower or bullocks can irrigate about 2 hectares of land whereas a well fitted with an oil or electric pumpset can irrigate thrice that area. This mode of irrigation also causes a remarkable increase in the net income of the farmers from agriculture (from Rs. 600 per hectare to Rs. 2,110). [23] The electrification of villages and the supply of power at cheaper rates would have salutary effects in popularising well-irrigation. For example, in Vakkaleri village there were only 30 wells in 1956 as compared to the 96 at present (i.e. 1975). In the irrigated lands the villagers raise two and even three crops a year and export the produce (mostly vegetables) to distant markets. According to the village elders, during peak seasons the village experiences a shortage of manpower and would be in a posi-

tion to offer work to labourers from nearby villages. [24]

The Department of Mines and Geology has a Ground Water Survey Unit from about 1966. This Unit has executed several works of drilling and constructing bore wells for augmenting rural water supply, of deepening existing wells etc., by utilising air-compressors, blasting and revitalising techniques. Such programmes have been financed by the State and to some extent by institutions and in a few cases by individual efforts supported by Government subsidies. The master plan for the development of ground water resources proposed an area approach and, instead of leaving it to the initiative and resources of individuals, advocated that it should be made into a community effort. [25]

In 1972, the total area under well irrigation was estimated at 350,000 hectares. Since then it is quite likely that a few thousands of hectares of land have been brought under well irrigation. In the course of the field visits by this author several instances of negligence, delay, tardy execution etc., were reported. In some villages, let alone sinking irrigation wells, there were not even an adequate number of drinking water wells. For instance Tidagundi of Bijapur district has only one drinking water well which goes dry during summer and Janwad of Bidar has one well which is in total disrepair as a result of which the people are forced to use brackish water. Institutional and Government involvement on a massive scale seems to be inevitable, if anything concrete shall be achieved in this field within a reasonable period of time.

Lift irrigation

The efforts of Karnataka Government in providing lift irrigation facilities are small as compared to the recent developments in Haryana State. The Jai Lift Irrigation Scheme of 1969 in Haryana costing over Rs. 33 million provides irrigation to 82,050 acres spread along the length of about 100 miles of canal network with 7 pump houses. The second scheme, named Indira Gandhi Canal Lift Irrigation Scheme, initiated in 1970, extends irrigation to 349,140 acres spread over a length of 480 miles and is equipped with 20 pump houses. The B.N.C. Canal Lift Irrigation Scheme provides irrigation to 247,000 acres with a total canal length of 458 miles equipped with 21 pump houses. [26] Such schemes provide full time and seasonal employment to thousands of work-

ers and Malhotra points out in the case of Haryana that,

> out of the money spent on various lift irrigation projects, employment opportunities were provided to thousands of people: as many as 35,000 persons of all categories were working during the peak season; while the educated unemployed could take up supervisory jobs, skilled workers worked as carpenters, masons, blacksmiths, pump-drivers etc., and unskilled workers were provided with manual work. Thousands of persons who would have otherwise been a burden on the cultivators, during the off season were usefully employed for carrying material in sandy area where mobility of trucks was not possible. [27]

In Karnataka, however, such schemes covering large areas are yet to be formulated. So far, out of a total 300 small lift irrigation schemes sanctioned by the Government, only 126 have been commissioned. Greater efforts are therefore necessary to bring large extent of land, especially in the drought prone areas, under lift irrigation.

River water irrigation

Karnataka is endowed with river water wealth estimated at 3,900 thousand million cubic feet per annum. The major river systems, comprising Krishna, Tungabhadra, and Cauvery, and the minor rivers like Arkavathy, and Shimsha have in all an irrigation potential of 7 million acres. [28] The extent of under-utilisation of this nature's gift becomes evident from the following:

> The west-flowing rivers cannot be harnessed for irrigation on any large scale. The yield available to this State from the catchment areas of Maharashtra and Kerala cannot be estimated with a fair degree of accuracy...even if only the potential of the east-flowing rivers are considered, on a rough assessment it is expected that the State can utilise about 1,800 T.M.Cft., of water. As against this, a potential of hardly 300 to 350 T.M.Cft., had been utilised by 1956-57. The total increase in utilisation from 1951-56 was of the order of 30 T.M.Cft., which works out to about 6 T.M.Cft., annually. [29]

If dams and reservoirs are not feasible for quick exploitation of the river water resources, efforts should be made to use the water directly through lift irrigation schemes all along the courses of the rivers.

## LAND RECLAMATION

Observers of the Indian agricultural scene are struck by the slow progress in bringing waste land under the plough, as a result of which the man-land ratio is deteriorating at a rapid rate. In India about 20 million hectares are classified as cultivable waste and in addition about 7 million hectares of land are rendered useless due to water-logging, alkalinity of the soil, salinity, floods and the like. About one-half of the latter is in South India and Karnataka too has a modest share of it. Through the Central Salinity Research Institute successful attempts have been made in the Indo-Gangetic Plains to improve the soil condition of land affected by salinity and to raise crops such as rice, wheat, and barley. [30] The process requires investment of considerable sums of money by application of chemicals, fertilizers, drainage techniques, and bunding. In Karnataka the State Government is still

> thinking of implementing a scheme for reclamation of saline and alkaline soils in northern districts of the State. The Centre has sanctioned Rs. 23 lakhs for Shimoga district...About 10,000 hectares in 10 taluks would be covered under this programme. The acidity of these lands would be removed by adding lime. [31]

According to an estimate by the Planning Commission, the cost of reclamation of one hectare of land ranges between Rs. 625 and Rs. 1,250 depending on soil conditions, the terrain, natural vegetation found on the plot of land and such other factors. This investment can not be regarded as heavy, for the yields from the virgin lands would be considerably higher at least during the first few years and would more than offset the costs.

In Karnataka, however, reclamation is going on at a slow pace and at that the emphasis appears to be more on the use of machines than on manual labour. For example, during 1970-1971 a total of 10,721 hectares were reclaimed and the labour-intensive method was used only in respect of 4,650 hectares. [32] Evidently the tempo of this activity has to be speeded up and more thought should be conferred on providing employment to a larger number of men. Without greatly affecting the ecological balance, the State can release a few thousands of hectares of Plain lands annually for purposes of reclamation. At the same time attempts may be made to raise forests in lands which are not fertile and where yields are uneconomical. Or else, a comprehensive scheme

may be prepared by the State for a proper exploitation of its natural forest wealth with a view to generating more employment in forestry. Forest-based industries at household and co-operative levels should be encouraged in villages and small towns near the forest belt and requisite subsidies and marketing facilities be provided for such products. At present the tribals and other forest workers are being exploited by the middlemen and there is an urgent need for the State to intervene in a big way to prepare and implement truthfully a comprehensive plan to expand the employment opportunities in forestry and to improve the working conditions of forest workers.

## EFFECT OF SPEEDY IMPLEMENTATION OF LAND REFORMS IN EMPLOYMENT CREATION

Even during the struggle for independence the Indian Leaders had realised the need for radical land reforms. The Indian National Congress, which has been ruling the country continuously since 1947, declared as follows in 1936:

> The Congress is of the opinion that the more important and urgent problem of the country is the appalling poverty, unemployment and indebtedness of the peasantry, fundamentally due to antiquated and repressive land tenure and revenue system. [33]

Naturally the ruling party since independence has been bestowing much attention on this aspect even though the final outcome of its efforts are not in any way spectacular. Land reforms have been included under the State subjects and the Government of India has constituted a Central Committee to discharge the advisory functions. As a result, the Central Government can not force any unwilling State to implement any radical reforms in full measure within any prescribed time limit. As far as the effects of land reforms on employment and rural development are concerned, it is noticed that India has not achieved as much as it should in 28 years especially when compared to other Asian countries like Japan and Taiwan. [34] A World Bank working paper entitled "Land Reforms" prepared in July 1974 comments as follows:

> Except for consolidation, land reform measures in India have been neither effectively enforced nor have they brought any benefits. It is presently well recognised in India that the reform measures dealing with security of tenure and acreage ceilings are partially enforced and that many of the State

> legislatures are not anxious to have such radical reforms. Security of tenure appears in general to have worsened. Actual rents have not come down. In some States they have been permitted to resume land above legal ceilings for personal cultivation which has allowed them to escape the reforms. [35]

The main objectives of land reforms are to combine an increase in the efficiency of agricultural production and economic development with social justice. This will be brought about by utilising all the available land in an effective and rational manner, by preventing concentration of lands in the hands of a few and by eliminating the intermediaries and establishing a direct relationship between the Government and the actual "tiller of the soil".

In Karnataka as in other parts of India, there is a wide gulf between what was professed and what has actually been achieved. Action in this regard was faithfully initiated during the early 1950s but as time passed pressure groups and vested interests not only outside but also from within the ruling Congress Party raised their ugly heads to put off what appeared to be quite imminent. [36] All sorts of delaying tactics were adopted and the influence exerted by this lobby was so effective that the rules framed under the Land Reforms Act and the Act itself had several loopholes making it difficult to effectively enforce it. Amendments were framed in a few cases even before the legislature had been properly enacted. On the implementation side also there have been several hurdles. In villages, the land records have been tampered with by the concerned officials due to pressure, influence and bribery and at one time illegal transfer of land became so common that at last it was noticed by the State Government:

> The Government has instructed the Assistant Commissioners of Revenue Sub-Divisions in the State to prevent illegal transfer of agricultural lands to non-agriculturists. Although Section 80 of the Mysore Land Reforms Act prohibited such transfers, it had come to the Government's notice that transactions contravening the provisions of the Act, were taking place. The Government circular asks the revenue officials to enforce the provisions of the Act strictly and report all illegal transactions to the Munsiff Courts concerned for enquiry. [37]

The land reform measures introduced in Karnataka from time to time have also been legally challenged and as usual there have been considerable delays in disposal of cases. Even after the issue of several

amendments fortifying the Act in 1974, there are nearly 500 writ petitions pending in the various courts of the State.

Despite all efforts to enforce land ceilings, it was found during this survey that in a particular village one landlord held as much as 400 acres of land which, incidentally, accounted for almost the entire cultivable land of that village. Most of the residents of this village were working on these lands as casual agricultural labourers. These things changed somewhat after the declaration of internal emergency in June 1975 and the subsequent measures taken by the State Government to implement the 20 point programme. However, during this study it has not been possible to attempt any assessment of the effects of Emergency on implementation of land reforms. The villagers contacted during the last quarter of 1975 for this field enquiry were reluctant to offer their views freely. One cultivator expressed that staggering changes had taken place since June 1975, while an agricultural labourer stated that he continued to work for his master under the same old conditions and expressed a fear that if he protested he would loose his employment. A Minister of Karnataka in a speech expressed that

> The Government would have to think of nationalising land and distributing it among the landless equitably. This was because attempts were being made by vested interests to defeat the objectives of land reforms. [38]

The foregoing discussion highlights the stark realities of the current situation in Karnataka. Even after 28 years of independence, the State has not succeeded in its efforts to bring about an equitable distribution of land. The various measures contemplated for the benefit of the tenants and landless labourers have not been implemented and, consequently, it has not been possible for the State to exploit Land Reforms to create enough employment opportunities in villages. Large holdings have continued to exist under one guise or the other and in most such cases considerable extents of land are left uncultivated year after year, or else, not effectively utilised by the landlord. In India small farmers are likely to utilise land more fully and effectively than rich, large land-holders and are also prone to adopt more labour-intensive techniques of cultivation and depend on indigenous tools and implements. Therefore, for reducing the magnitude of unemployment and seasonal employment in rural areas, it is essential that the State Government acts with speed and determination in regard

to the implementation of Land Reforms. It is also necessary for the general public, especially the privileged sections, to appreciate the long term implications of creation of employment opportunities on a large scale by such radical measures and extend their unstinted co-operation well in time. Otherwise, the agrarian movement may be spear-headed by militant groups (e.g. Naxalites) paving the way for lawlessness and armed rebellion which may jeopardise not only their vested interests but also the entire economic and political set-up of the State.

## EMPLOYMENT THROUGH DEVELOPMENT OF ANIMAL HUSBANDRY AND ALLIED ACTIVITIES

In an agricultural economy animal husbandry plays a vital role. The two activities can be easily integrated in such a manner as to utilise the available manpower very effectively throughout the year and minimise unemployment and prevent seasonal unemployment. In the animal husbandry sector even the physically weak - such as women, old persons and youngsters - can easily participate and add to the earnings of the family. Investments for development need not be concentrated but can be distributed over a wide area involving a large number of villages and can be adjusted to suit the local conditions. The plans and programmes can be made flexible and it would be easier to accommodate both short-term and long-term perspectives. Quick returns can be obtained from certain activities like poultry farming, piggery, dairying, and the profits re-invested for further development. However, in India as well as in Karnataka, the traditional outlook regarding the sale and also consumption of livestock products has to be considerably modified and the emphasis has to be shifted towards the commercial aspect of the enterprise. A good marketing network for livestock products is one of the essential prerequisites for the rapid development of animal husbandry and in this sphere the State Government should take the lead to prevent exploitation by unscrupulous middlemen.

Milk is one of the most important livestock products. The demand for milk is consistent and high in towns, cities and also villages. Milk products like curds, butter and ghee can be easily and profitably disposed of even in villages. In Karnataka, the per capita yield of cows' milk is only 97 Kg. per year which is very much below the all India average of 173 Kg. [39] In 1973-1974, the production of milk in Karna-

taka amounted to 940,000 tonnes as compared to considerably higher yields in the following States: Rajasthan (2,300,000 tonnes), Madhya Pradesh (1,740,000 tonnes), Gujarat (1,500,000 tonnes) and Maharashtra (1,211,000 tonnes). [40] In recent years the Karnataka Government has been evincing interest in the development of dairying and is encouraging livestock rearing in cities and surrounding areas. Dairies have been started in Bangalore, Hubli-Dharwar, Belgaum and such other big cities to ensure regular and adequate milk supplies to meet the demands of the city-dwellers and also to ensure that the dairy farmers get reasonable returns. Collection centres have been established at several places with a view to have direct dealings with the producers. Nevertheless, in towns and cities, a large number of private dairies are flourishing and to a considerable extent the exploitation by the rich money-lenders and middlemen is continuing. There is a tremendous soope for improvement here and the Government could encourage cattle-rearing by extending loans at lower rates of interest repayable in easy instalments, subsidise animal feeds, develop pastures in villages near towns, set up veterinary dispensaries and provide various other incentives to achieve quick results. The farmers may be encouraged to produce short-term fodder crops and grass to meet the increasing demand. Improvement of stocks by hybridization and such other measures may also be undertaken.

Rearing of sheep and goats as well as piggery and poultry farming deserve encouragement in rural areas in order to considerably improve the availability of meat and eggs. This would also boost the production of wool in the State. In Karnataka there are only 5 piggery units at present (this compares very badly with the 17 units in Haryana which is a smaller State) [41] and obviously there is considerable soope for immediate development. The State Government should establish Dairy Farms combined with piggery and poultry farming, on the lines of the one found at Hessaraghatta near Bangalore City, at the rate of at least one unit in all the 19 districts. Regarding sheep rearing too, a lot of developmental work can be done to achieve quick results which could reduce to some extent the problem of seasonal unemployment. Among the villagers there are certain prejudices regarding sheep rearing and piggery and these ought to be dispelled by appropriate methods such as modernisation of the activity and proper education. At present there are 40 sheep development centres, a number which is very small in comparison to 152 such units in Haryana.

In the matter of marine and inland fishing also, it is possible to achieve considerable improvements and at the same time tackle the problems of unemployment and seasonal employment. All along, fishing has been regarded as the occupation of a few specific castes and communities. The methods they have been adopting are far from satisfactory and so is their economic plight. Fishing is more or less a seasonal activity and those who are primarily engaged in it are to be provided with occupations by which they can supplement their income during the slack seasons.

Silk worm rearing is an activity that depends partly on agricultural land and partly on the skills of artisans who can effectively use the raw materials. This activity can be extended to the non-traditional districts of the State - i.e. other than Mysore, Mandya, Bangalore and Kolar. This potential seems to have been already recognised by the Government. What is really needed is urgent and concerted action for the propagation of sericulture by establishing a number of silk filatures at various places and building up a marketing network.

Cottage industries like handloom weaving, spinning, pottery, basketry, oil crushing, carpentry, smithy etc., which are prevalent in rural areas deserve encouragement. These activities can be dovetailed into the integrated development plans which are to be prepared for various regions within the State with a view to generate adequate employment opportunities in the rural areas for men and women of different age-groups.

## Chapter IX

## COMMENTS ON SALIENT ASPECTS OF UNEMPLOYMENT IN KARNATAKA

The results of the field study, which have already been summarized in Chapter V, reveal a grave picture of the employment situation in Karnataka. Only one third of the labour force - around 45 per cent if the male part is considered - is fully employed, even though the definition used here is so liberal as to include among the fully employed all those who worked for nine months or more during the year. Around one fourth of the total labour force - however, 8-9 per cent of the male part - is unemployed. Whether one looks at the total labour force or at the male part of it, the largest portion - almost half of the male labour force - is seasonally employed. These are really disquieting figures. The situation appears rather different from the one given in the surveys of unemployment by the Census of India and the National Sample Surveys.

### SEASONAL EMPLOYMENT AT PAR WITH UNEMPLOYMENT

Seasonal employment is especially high in rural areas and three fourths of the labour force live in rural areas. The analysis of this category of workers has shown that a majority of them work for 6 months or less and that as a result they are unemployed for the rest of the year. Thus, more than half of the total labour force and more than one third of the male labour force in rural areas is unemployed for six months or more during the year. A large proportion of the seasonally employed workers are small cultivators and agricultural labourers whose earnings are quite meagre even on the days on which they work because of low wage rates. All these persons are also to be regarded as practically unemployed and in that case the proportion of the unemployed in Karnataka's labour force reaches a staggering figure.

### HIGH RATE OF UNEMPLOYMENT AMONG YOUNG ADULTS AND OLD PERSONS

The analysis has shown that the proportions of young adults, age-group 15-23, and of old persons, age-group 51-59, who are respectively entering and leaving the employment market, are significantly high. The employment categorywise distribution has also shown the great extent to which the persons in these two age-groups are affected by unemployment

and seasonal employment. In Karnataka, as everywhere in India, child labour is also prevalent and this accounts to some extent for unemployment among those in the 15-23 years age-group. Effective steps are therefore necessary to put an end to the practice of engaging child labour and encourage industrial and commercial establishments to prefer the young adults in their place. Population explosion is one of the reasons for high rate of unemployment among young adults, for year after year thousands of young men and women enter the employment market which, however, has not been showing any signs of rapid expansion. The population pressure on economic and other resources of the nation is like a beast which is "too large, ambiguous and ambulatory to be simply catalogued. It is bigger than we suspected previously...it is truly multi-dimensional and it involves relationships among many different sets of variables-ecological, social, technological, psychological and historical". [1]

If enough jobs are not created every year to absorb the influx to the labour force, the resulting negative effect is very great in a developing economy. Employment oriented projects at local levels and regional levels alone seem to provide an answer to this complicated problem. But in Karnataka, the State and the Federal Government are yet to make a beginning in this direction.

FEMALE UNEMPLOYMENT

This field survey has revealed that about half of Karnataka's female labour force is unemployed. The situation in the urban sector is alarming, for here the unemployed women constitute as much as 83 per cent of the female labour force. Female unemployment is a chronic problem which deserves immediate attention of the planners. The survey has also shown that long term unemployment is rampant among women and that the younger women as well as those approaching old age are affected more than those in the middle-aged group. Such a situation, deplorable as it appears to be from Western standards, might have arisen due to the following causes among others:

(a) Women in Karnataka are not yet liberated from the fetters of tradition and custom and are hesitant to exploit employment opportunities and are also reluctant to accept the life of working women in preference to that of an ideal housewife as conceived in the traditional sense.

(b) In recent years, in the garb of modernisation of agriculture, capital intensive techniques have begun to invade the rural areas. As a result a large number of women who used to work seasonally have been rendered jobless. In urban areas, where the organised sector is predominant, part-time or seasonal job opportunities suitable for women, who deem it their primary duty to look after their houses, are lacking. If they take up employment they will have to be away from home for several hours at a stretch and feel that they can not discharge their duties as mothers and housewives.

(c) In urban areas there is an uneven competition between educated men and women for salaried jobs like that of teachers, stenographers, clerks etc., and till now the men candidates are enjoying advantages in view of the ease with which they can be handled and also because of their mobility. The situation is aggravated by the migration of educated men in quest of better prospects from rural areas to towns and cities. Discrimination on the basis of sex is being widely practised. In villages, however, women continue to participate in household enterprises including cultivation depending upon family circumstances and the time they can spare for such economic activities. Even in this regard notions of false prestige that women of well-to-do families should not soil their hands have gained popularity resulting in what may be called voluntary unemployment.

(d) Employment opportunities for educated women in rural areas are woefully inadequate and though willing to work several women of this category are forced to remain idle.

(e) The general educational system is defective and, at all levels, employment oriented training is lacking. Technical training and professional courses are still considered to be the preserve of the male-folk and the women are content with general education up to matriculation level. Some among them do pursue higher studies. But this too is by and large confined to general degree courses. Women working force still remains the greatest untapped reservoir of potential skills. Modern economy rests mainly on technology and it is imperative that the women are adequately equipped with the necessary skills and knowledge. Otherwise, they will continue to languish without jobs.

(f) The recruitment policy adopted by the Government and also by private institutions and establishments does not envisage reservation of a certain quota of jobs for women. In fact for almost all kinds of jobs on regular basis there is a pronounced preference for men.

It is refreshing to note that in recent years a change for the better is taking place in the women labour force. For example, the number of women employed in the organised sector of the economy, comprising both public and private sectors, increased from 1.37 million in 1962 to 2.19 million in 1974. [2] In particular, the proportion of the women employees in public sector undertakings stood at 9.9 per cent of the total number of employees in 1970 as compared to only 7.5 per cent in 1966 and 8.6 per cent in 1968. [3] One hopes that this trend soon picks up greater momentum so that a break-through is achieved in tackling the problem of female unemployment.

VOLUNTARY UNEMPLOYMENT

Voluntary unemployment is the result of withdrawal of oneself from economically productive work in spite of the availability of opportunities. For example, a rich man endowed with a capacity to work may, on account of his inheritance, prefer a life of leisure. In joint families consisting of several earners there may be one or two deviants who prefer a life of leisure and avoid soiling their hands with work even though there is a necessity and an opportunity to do so in the family enterprise. Social customs prevent a few (e.g. men and women of higher castes, Muslim women) from participating as manual workers in fields and farms. A study of manpower in a Rajasthan village reports as follows and it reflects the general trend in Karnataka as well:

> Surprisingly enough even the majority of those who were wholly unemployed also stated that they could not take up any employment because they were not keeping good health, although apparently they did not seem to suffer from any such handicap. Only about half-a-dozen persons in the village admitted that they had some leisure which they could utilize in gainful work. Even in their case there was no keenness or firm desire to take up some employment but only an expression of a wish which could, when the actual opportunity came, be availed of or denied suiting the mood and temper of the person. [4]

Voluntary unemployment exists in Karnataka especially among women and among men from affluent families. However, no attempt was made during this study to assess its importance in quantitative terms.

LONG TERM UNEMPLOYMENT

The trends of long term unemployment disclose that a high proportion of the unemployed, especially the females, are without jobs for long durations. This long term unemployment may be voluntary in several cases. But, by and large, it may be observed that if there was enough scope, the proportion of long-term unemployment would have been very much lower. This malady has affected the rural and the urban sectors equally and in both the cases women are the greater sufferers.

The economic conditions in rural Karnataka appear to have remained at a stand still during the past two decades and more and this static economy accounts for the large-scale long term unemployment. A keen observation of the conditions in the villages revealed that practically no major improvement has taken place in many of them during the past 30 years. [5] Low level of literacy, lack of drinking water facilities, absence of good roads and adequate transport facilities, non-existence of educational, medical, banking and marketing facilities etc., have continued to be the characteristic features of many of these villages. The ownership of agricultural lands is vested with the dominant castes, especially among a few individuals at that in spite of the land reforms. In the matter of industries the village artisans have continued to practise their hereditary skills in a traditional way and no new industry worth its name has come up. There are of course some exceptions, like Vakkaleri. Vakkaleri is now enjoying better educational and medical facilities (e.g. it has a Primary Health Centre). Besides, there has been a marked increase in the extent of land under irrigation. In many villages dry farming has all along been the main source of living and the people have been suffering due to the vagaries of the monsoon. The crops grown are also mainly food grains and what little quantities of commercial crops are grown are sold at low rates due to lack of marketing facilities. Land reclamation on the one hand and intensive farming on the other have yet to take roots in these villages. The sources of finance to agriculturists have improved only on paper and, as in the past, even now the local money lender has his strangle-hold on the villagers.

In one village, let alone setting up of new industries, even the one in vogue in the 1940s fell on bad days with the passage of time. Several persons earlier earned their living as weavers in Madarahalli

village of Mysore district. But due to lack of investment, absence of marketing facilities and for want of encouragement the weavers gave up their occupation in preference to agricultural and other types of labour and some of them migrated to Mysore City in search of jobs. The lands are dry and productivity is quite low resulting in outward migration. One of the villagers commented during this survey that the land is dead and the village has virtually dried up. They are badly affected by long term unemployment. Under such circumstances what else can one expect?

An appraisal based on the situation observed in many villages shows that there has not been any major shift in the economic policy of the State in the recent past despite wide proclamations. Concerted efforts towards achieving rural uplift and general improvement of masses are yet to be taken up. Until some real progress is made in this direction the problem of unemployment is bound to persist with all its virulence including long-term unemployment.

Appendix 1. QUESTIONNAIRE

DATE:

Village: Taluk: District:

Household number:

Name: Age: Sex: M F

Marital status: Main occupation:

Secondary occupation:

For head of household:

Children below 15:

Other dependents: (Students, disabled, retired, aged above 59)

Religion: 1. Hindu
a. Scheduled caste
b. Other Hindu
2. Muslim
3. Christian
4. Other

Education: a. Matriculation and above
b. Below matriculation
c. Uneducated

Employment status: Fully employed Seasonally employed Unemployed

Regular hours spent in given employment:

Irregular hours spent in employment per day:

Seasonal employment duration: 1-3 months 4-6 months 7-9 months

How many years have you been without a job?

Historical unemployment: Fully employed Seasonally employed Unemployed

1965

1960

1955

Would you take up additional work other than present work?

Intensity of work in agriculture and non-agriculture?

Slow Fast Normal

Wages: Per day Per month

If the profession is agriculture:

Number of acres owned/leased in/leased out/self-cultivated/mortgaged

Type of cultivation: Intensive Traditional

Reasons for not cultivating the land:

Irrigation type: Rain fed/Well fed/Canal fed/Tank fed/River fed/
Wet land/Dry land

Number of persons working on land:

Number of crops cultivated per year:

Type of crops raised:

Animal husbandry: Number of Cows/Bulls/Buffaloes/Poultry/Sheep/Pigs

Do you have bullock cart?

Do you have debts?

Dwelling type:

Rented / Own house:

Electrified / Non-electrified

Number of rooms:

Latrine:

Did you try any job other than agriculture?

Did you try any job outside of this village?

What are the requirements necessary to create employment in this area?

Opportunity in agriculture:

What is your opinion regarding the policies in connection with employment?

Satisfied / Unsatisfied / Don't know

Are you a bonded labourer?

If so, since how many years?

Employment Exchange:

Did you register in Employment Exchange?

If so, since how many years?

If not, why?

Are you in the live register at present?

Have you been appointed through Employment Exchange?

Are you unemployed because you failed to get your profession?

Do you have confidence in the Employment Exchange?

Any other remarks:

Appendix 2.

NAMES OF THE SURVEY SAMPLE UNITS

| | Name of sample units | |
|---|---|---|
| | Rural | Urban |
| 1. Bangalore | 1. Koppa (Anekal Taluk) | 1. Broadway |
| | 2. Kaggalipura (Bangalore South) | 2. Kalaspalyam |
| | 3. Archikarahalli (Ramnagaram taluk) | 3. Sivanchetty garden |
| | 4. Tharbanahalli (Bangalore North taluk) | 4. Jaibharathi Nagar |
| | 5. Bagalur (Devanahalli taluk) | 5. Ulsoor |
| | 6. Doddabelavangala (Doddaballapur taluk) | |
| 2. Belgaum | 1. Sutta Gatti (Sampagaon taluk) | 1. Belgaum city (contonment) |
| | 2. Balekundri (Belgaum taluk) | |
| | 3. Piranwadi (Belgaum taluk) | |
| 3. Bellary | 1. Kudathani (Bellary taluk) | 1. Bellary city (Miller pet) |
| | 2. Sattur (Harpanahalli taluk) | |
| 4. Bidar | 1. Janwada (Islampur) (Bidar taluk) | |
| 5. Bijapur | 1. Tidagundi (Bijapur taluk) | 1. Bijapur city (Jumma Majid) |
| | 2. Cholachgudda (Badami taluk) | |
| | 3. Yernal (B. Biagevadi taluk) | |

| | Name of sample units | |
|---|---|---|
| | Rural | Urban |
| 6. Chitradurga | 1. B. Durga (Holalkere taluk)<br>2. Anagodu (Davanagere taluk) | 1. Davanagere city (Bharathi colony) |
| 7. Chikmagalur | 1. Yellmbalase (Kadur taluk) | |
| 8. Coorg | 1. Thanimani (Mercara taluk) | |
| 9. Dharwar | 1. Hulkoti (Gadag taluk)<br>2. Magadi (Shirihatti taluk)<br>3. Kohdaji (Hangal taluk) | 1. Dharwar city (Old Hubli) |
| 10. Gulbarga | 1. Mahagaon (Gulbarga taluk)<br>2. Sulepet (Chuncholi taluk)<br>3. Khajuri (Aland taluk) | 1. Gulbarga city (Lalgiri) |
| 11. Hassan | 1. Dindigur (Chennarayapatana taluk) | |
| 12. Kolar | 1. Pathakota (Bagepalli taluk)<br>2. Gennerahalli (Bangarpet taluk)<br>3. Vakkaleri (Kolar taluk) | 1. K.G.F. city (Ooragaum) |
| 13. Mandya | 1. Konanur (Nagamangala taluk)<br>2. Ingelguppe (Pandavapur taluk) | |

| District | Name of sample units | |
|---|---|---|
| | Rural | Urban |
| 14. Mysore | 1. Kuruburu (T. Narasipur taluk)<br>2. Madarahalli<br>3. Mallaiahnapura (Chamrajnagar taluk) | 1. Mysore city |
| 15. North Kanara | 1. Haldipur (Honavar taluk) | |
| 16. Raichur | 1. Maralahalli (Gangavathi taluk)<br>2. Neermanvi (Manvi taluk) | |
| 17. South Kanara | 1. Kodavooru (Udipi taluk)<br>2. Hejimadikodi (Mangalore taluk)<br>3. Marvanthe (Coondapur taluk) | 1. Mangalore city (Bangere) |
| 18. Shimoga | 1. Govinkovi (Honnali taluk)<br>2. Kerladi (Sagar taluk) | 1. Bhadravathy city<br>2. Shimoga city |
| 19. Tumkur | 1. Laxmisagara (Sira taluk)<br>2. Kibbanahalli (Tiptur taluk) | |

# NOTES TO CHAPTERS I to IX

NOTES TO CHAPTER I

1. Census of India, 1971, Portrait of population - Mysore, New Delhi, 1974, p. 15.
2. For an insight into the history in brief, reference may be made to "Karnataka through Ages", published by the Government of Mysore, Bangalore, 1968.
3. Figures supplied by the Department of Industries and Commerce, Government of Karnataka, Bangalore, October, 1973.
4. M.Y. Ghorpade, Finance of Karnataka, Commerce, 29th November, 1975.

NOTES TO CHAPTER II

1. Employment, Unemployment and Labour Force Statistics. A study of methods. Report prepared for the Sixth International Conference of Labour Statisticians, I.L.O., Geneva, 1948, p. 12.

2. For a thorough discussion, see G. Myrdal, "Against the Stream" (Critical Essays on Economics) Pantheon Books, New York, 1973.

3. M.V.S. Rao, Measurement of Employment, Unemployment and Underemployment in Rural Areas. Monthly Abstract of Statistics, Central Statistical Organization, Government of India, New Delhi, Vol. 15, No. 4, April 1962, p. 5.

4. J. Weeks points out, "It has not been established that unemployment is in fact a general problem in less developed countries, while there is a serious international crisis resulting from the relative improverishment of the third world, it is misleading and of negative instrumental value to define this crisis as one of "growing unemployment" and defining the problem in this way implies a solution which will increase the dependence of the third world on the industrial countries. Finally, since it is this very dependence which has fostered the growing relative improverishment, defining the crisis as one of the unemployment precludes any solution...This is not to say that unemployment does not exist in some third world countries - it does, but in particular circumstances. It exists as a widespread phenomenon only in these countries with serious land shortage, either due to population pressure or to the proleterization of the rural population as a consequence of plantation, agriculture...The mistake by economists and other social scientists has been to conclude that because an individual in a urban areas of a developing country is seeking a wage job but unable to find it, he is unemployed. In an industrial country, this is valid for the reason that casual wage employment and self employment opportunities are severely limited and those that exist would provide an income far less than that of the vast majority of the working population. This is not true in developing countries. In most, the possibilities for casual and self employment are extensive (indeed such employment is the basis of the economy), and while the income derived from these pursuits in many cases is less than that for wage jobs, it approximates to that earned by peasants on the land, where most of the population is... But, of course, it is absured to define the employment norm in terms of the conditions enjoyed by a tiny majority of the labour force". J. Weeks, Does Employment Matter? in The Third World Employment, Problems and Strategies, edited by R. Jolly, E.D. Kadt, H. Singer, and F. Wilson, Penguin Books, London, 1973, pp. 61-62.

5. G. Myrdal, Asian Drama (Pantheon Books, New York), 1968, Chapter 21, p. 965.

6. G. Myrdal, op. cit., Chapter 21. P.P. Streeton, A Critique of Employment and Underemployment in the Third World, pp. 55-60. A.E. Rees, The official statistics, what they reveal and conceal in voluntary and involuntary unemployment. A symposium, edited by M.R. Gainsburgh, Public Affairs Conference Report, 1964, pp. 7-14.

7. G. Myrdal, Asian Drama, Vol. II, p. 965.

8. J. Robinson, Disguised Unemployment, Economic Journal, Vol. XLVI, 1936, p. 226.

9. International Labour Review, 1957, Vol. LXXVI, p. 283. Ragnar Nurske emphasized on underemployment or surplus population in the agricultural sector as follows: "These countries suffer from large-scale disguised unemployment in the sense that, even with unchanged techniques of agriculture, a large part of the population engaged in agriculture could be removed without reducing agricultural output." R. Nurske, Problems of Capital Formation in Underdeveloped Countries, Basil Blockwell, Oxford, 1953, p. 32.

10. P.N. Rosenstein-Rodan, Disguised Unemployment and Underemployment in Agriculture, Monthly Bulletin of Agricultural Economics and Statistics, Vol. VI, Nos. 7/8, July/Aug. 1957, p. 1.

11. P.P. Streeton, op. cit., p. 59.

12. It has been pointed out somewhat cynically by A. Peacock and G.K. Shaw that "It may be contended that disguised unemployment, even with zero marginal product, is preferable to extensive open unemployment from both a political and social point of view. The maintenance of disguised unemployment of agriculture, for example, may be one way of preventing population inflow into the urban areas." A. Peacock and G.K. Shaw, Fiscal Policy and the Employment Problems in less Developed Countries, O.E.C.D., Paris, 1971, p. 20.

13. Employment, Unemployment and Labour Force Statistics. A Study of Methods. Report prepared for the Sixth International Conference of Labour Statisticians, I.L.O., Geneva, 1948, pp. 9-12.

14. N. Das, Unemployment, Full Employment and India, Asia Publishing House, London, 1960, p. 2.

15. For instance, the Japanese planners have been frequently changing the very definition of labour shortage with the progressive march of their economy. Indeed, the Japanese regard the Western style unemployment as mere nonsense. Norman Macre. Japan; The Risen Sun, The Economist, May 27, 1967, Vol. CCXXIII, No. 6457, pp. xv to xvi. Even in the U.S.A., M. Solow has observed that "no such statistical study of long term unemployment seems to have been done". M. Solow, The Nature and Sources of Unemployment in the United States, Wicksell Lectures, Stockholm, 1964, p. 44. In Sweden, during the depression of the 1920s and 1930s, the estimates of unemployment were obtained through the labour union records.

16. Deccan Herald, Bangalore, 15th July, 1962.

17. Statement made by the Minister for Planning in Rajya Sabha (Upper House of Parliament), Proceedings of the Parliament, New Delhi, August 1973. From this one can conclude that in 1965, the poverty line was set even lower than in 1962, since prices had certainly risen in the meantime and 20 rupees did not buy as much in 1965 as it had in 1962. Bureau of Economics and Statistics, Government of Karnataka, Bangalore, June 1965.

18. Dandekar and Rath, "Poverty in India", Economic and Political Weekly, March 1971. (2.5 Acres = 1 Hectare)

19. M.S. Adiseshaiah, "Dimensions of the Problems of Unemployment", Development Seminar Series, Madras, 1973, Vol. III, p. 756.

20. Proceedings of the Karnataka State Assembly, 31st March, 1976, Statement made by the Minister for Finance on the basis of an economic survey conducted for obtaining data for formulation of plan programme.

21. Unpublished mimeograph, "Level of Poverty in Rural Karnataka", Bureau of Economics and Statistics, Government of Karnataka, Bangalore, 1974, p. 7.

22. Report of the Committee of Experts on Unemployment Estimates, Planning Commission, Government of India, New Delhi, 1970, p. 7.

23. Fourth Five Year Plan, A Draft, Planning Commission, Government of India, New Delhi, 1969, pp. 341-342.

24. W. Malenbaum, Modern India's Economy, Columbus, Ohio, 1971, p. 110.

25. The National Sample Survey, hereafter referred to as N.S.S.

26. The National Sample Survey, Sixteenth Round, 1960-1961, Government of India, New Delhi.

27. Census of India, 1971, Mysore, General Report, Series 14, Part - 1 A. Vol. II, p. 945 (Labour force and working force are synonyms)

28. Report of the Panel of the Assessment of the Extent of Unemployment and Underemployment, Committee on Unemployment, Government of India, Vigyan Bhavan, New Delhi, 1972, p. 8.

29. The National Sample Survey, Fifteenth Round, op. cit., p. 4.

30. Report of the Panel of the Assessment of the Extent of Unemployment and Underemployment, op. cit., p. 9.

31. Employment and Unemployment in Karnataka - A Profile of the 27th Round of N.S.S., Bureau of Economics and Statistics, Government of Karnataka, Bangalore, 1976, p. 43.

32. Expert Committee on Unemployment (Bhagavathy Committee) An Assessment Government of India, New Delhi, 10th June, 1973, p. 3.

33. A. Gosh, Indian Economy - Its Nature and Problems, Bombay, 1975, p. 78.

34. Employment and Unemployment in Karnataka - A Profile of the 27th Round of N.S.S., op. cit., p. 43.

35. Census of India, 1971, General Population Tables, Part II A, Series 14, Mysore, New Delhi, p. 309.

36. Ibid., p. 309.

37. C. Long, The Concept of Unemployment, The Quarterly Journal of Economics, Vol. LVII, 1942, p. 30.

38. The National Sample Survey, 27th Round, N.S.S., Vol. I, New Delhi, 1972, p. 1.

39. Report of the Committee of Experts on Unemployment Estimates, Planning Commission, Government of India, New Delhi, 1970, p. 17.

40. Report of the Committee of Experts on Unemployment Estimates, p. 31.

41. B.N. Sinha, Three Mysore Villages (A Geo-Economic Study) Census of India, New Delhi, 1961, p. 80.

42. Fifth Five Year Plan (1974-1979) Planning Commission, Government of India, New Delhi, 1976, p. 21.

43. Census of India, 1971, Portrait of Population - Mysore, New Delhi, 1974, p. 60. (Particulars of the constituents of urban agglomerations are given in pages 60 and 61 and Town wise population in pages 72-83).

44. F.C. Mills, Statistical Methods, London, 1972, pp. 693-701.

NOTES TO CHAPTER III

1. The term "Scheduled Castes" was defined as follows by the 1971 Census of India. "Those belonging to the last caste (Scheduled castes and tribes) include many groups who suffered social and economic inequities since ages. Till 1935, these groups were known as the Depressed Classes. They were listed systematically at the 1931 Census. But the term "Scheduled castes" was applied to these groups for the first time in the Government of India Act, 1935. The then Government of India published a list of Scheduled castes under the Government of India (Scheduled castes) order, 1936. With the coming into force of the Constitution of India, Scheduled castes have been assured certain essential rights and benefits." (Portrait of Population, Mysore, Census of India, 1971, New Delhi, 1974, p. 155)
2. Census of India, 1971, Portrait of Population, Mysore, New Delhi, 1974, p. 96.
3. Purdah system: This is practised in the Muslim society. Custom enjoins their women to put on veils so as to cover themselves completely especially when they go out of doors.
4. See Chapter VI for a detailed analysis of the Employment Exchange data.

NOTE TO CHAPTER IV

1. Mandya is a unique example of transformation from poverty to prosperity through planning, adaptability and human effort. A few decades ago farmers used to migrate to Bangalore and Mysore due to poor rainfall and drought. The vision and planning of Dr. Visveswarayya transformed these barren fields into a green bounty of paddy and sugar cane. The construction of the Irwin canal from Krishnaraja Sagar Dam which rendered high irrigation potential and the hard work of the farmers possible were the major factors that contributed for high agricultural output. The intensive agricultural package programme also improved the cultivation methods to promote advanced farming as district from conventional farming. The district now plays a significant role in the supply of paddy in Karnataka.

NOTES TO CHAPTER VI

1. Employment Exchanges, International Labour Office, Geneva, 1953, quoted from Employment Exchanges in Mysore-Fact Book, Directorate of Evaluation & Manpower, Bangalore, 1968, p. 1.
2. "Annual Plan 1975-76", Department of Planning, Government of Karnataka, Bangalore, 1976, p. 136.
3. The President of the Physically Handicapped Rehabilitation Society in Bangalore gives example about the prevailing conditions. Deccan Herald, Bangalore, 16th December, 1976.
4. For the definition of this concept see Chapter III.
5. Deccan Herald, Bangalore, 17th September, 1975.
6. Kerala 1964, An Economic Review, Bureau of Economics and Statistics, Government of Kerala, Trivandrum, Kerala, 1964, p. 113.
7. The Problem of Unemployment in Mysore State, (Mimeograph) Directorate of Employment and Training, Government of Mysore, Bangalore, 1971, p. 3.
8. Economic Review, Kerala 1974, Bureau of Economics and Statistics, Government of Kerala, Trivandrum, Kerala, 1975, p. 175.
9. "Employment Exchanges in Mysore - Fact Book", Directorate of Evaluation & Manpower, Bangalore, 1968, p. 21.
10. "A case Study of the Sub Regional Employment Exchange - Bangalore", Bangalore, 1968, p. 13.
11. "Employment Exchange in Mysore - Fact Book", 1968, p. 4.
12. Figures supplied to the author during March, 1974, by "The Directorate of Employment and Training", Bangalore.
13. The Apprentice Act, Government Press, Bangalore, 1971, pp. 9-11.
14. "In Andhra Pradesh a father is undertaking fast unto death to secure jobs for his sons and a daughter. In a leaflet, the father, Kondiah said that he had failed despite his ceaseless efforts to secure jobs to his children who are science graduates. It is reported from Calicut in Kerala that 8 candidates had applied for a single vacancy of Attender in a local school and that since all of them were prepared to pay its bribe rate of Rs. 6,000/- one of them was actually chosen by lot. This episode speaks volumes of the sordid role that corruption has been playing at all levels of public activities and at the expense of the weak and the desperate. It is not that greasing itching palms is peculiar to any country or any age. The worry of the right thinking men and women is that this evil force is breeding social deprivity of a sort that will not only tolerate but will intensify, extend and perpetuate a universal spoils system. Some educated unemployed in Kunnathura near Calicut have proposed a scheme under which, instead of bribing their way into jobs, they will pool what will otherwise have been spent on bribes to raise sufficient equity capital for starting any industry with the requisite matching assistance from the Government, which can employ them and their friends." The Hindu, Bangalore, 8th January, 1974.
15. Indian Express, Bangalore, 16th April, 1974.
16. Indian Express, Bangalore, 16th May, 1976.
17. Personal Interview at Bangalore, 15th December, 1975.

NOTES TO CHAPTER VII

1. Dr. K.L. Rao, "Role of Irrigation and Power in Rural Development", Government of India Publication; Indian Industrial Annual, 1969, p. 65.
2. W.S. Woytinsky, India, The Awakening Giant (Harper and Brothers), 1957, pp. 171-172.
3. Ibid., p. 177.
4. Report of the Mysore Resources and Economy Committee, Government of Mysore, Bangalore, 1962, pp. 244-245.
5. Economic Development of Mysore, 1956-1969, Bureau of Economics and Statistics, Bangalore, 1970, pp. 27-28.
6. Third Five Year Plan-Policy and Programme, Government of Mysore, Bangalore, 1961, Vol. I, p. 32.
7. "Mysore 1951-1961. A bird's eye view of progress achieved during the last ten years", Department of Information and Publicity, Government of Karnataka, Bangalore, 1961, p. 111.
8. Report of the Mysore Resources and Economy Committee, Government of Mysore, Bangalore, 1962, p. 39. (Mysore was the first among the states in India to set up a committee to review the financial position and problems in connection with the formulation of Third Five Year Plan).
9. Economic Development of Mysore, 1956-1969, Bureau of Economics and Statistics, Bangalore, 1970, pp. 27-28.
10. Economic Development of Mysore, 1956-1969, Bureau of Economics and Statistics, Government of Mysore, Bangalore, 1970, p. 30.
11. Ibid., pp. 30-31.
12. A Note on Certain Aspects of Mysore's Economic Growth during 1970-1971, Directorate of Manpower Evaluation, Planning Department, Bangalore, 1971, p. 2.
13. "Annual Plan 1972-1973", Planning Department, Government of Karnataka, Bangalore, p. 141.
14. Economic Development of Mysore 1956-1969, Bangalore, 1970, pp. 204-205.
15. T.R. Satishachandran, "Industrial Development in Mysore", A seminar paper, Institute for Social and Economic Change, Bangalore, September, 1972.
16. T.N. Vijayappa, "Mysore's Economic Development, 1956-1969", Seminar paper, Institute for Social and Economic Change, Bangalore, September, 1972.
17. M.R. Murthy, "Mysore's Fourth Five Year Plan", Southern Economist, 1st October, 1969, p. 8 (1 crore = 10 millions)
18. N.B. Murarappa, "The Transport and Communication in Mysore State", Seminar paper, Institute for Social and Economic Change, Bangalore, September, 1972.
19. R.A. Deshpande, "Public Works Department, Mysore", Seminar paper, Institute for Social and Economic Change, Bangalore, September, 1972.
20. Statement issued by the Minister of State for Small Industries. Deccan Herald, 7th January, 1976.

NOTES TO CHAPTER VIII

1. B.P. Radhakrishna, "Mining and Marketing of Iron Ore in Mysore", Southern Economist, 1st October, 1969, p. 6.

2. Discussions with the Director, Department of Mines and Geology, Government of Karnataka, Bangalore on 1st March 1974.

3. Census of India, 1971, Mysore - "Portrait of Population", New Delhi, 1974, p. 186.

4. The Mysore Economic Review, 1971-1972, Bureau of Economics and Statistics, Bangalore, 1972, p. 37.

5. "In 1972, the MMTC (Minerals and Metals Trading Corporation) lifted about 3.7 million tonnes from the Bellary sector. In 1973 their off take was only 3 million tonnes. On top of this MMTC is yet to shift about 1 million tonnes of accumulated stock lying at the railheads of Bellary-Hospet region. This has sapped the morale of the private mine-owners and they are thinking of reducing operations or closing down.

   Another limiting factor on investment in the development of the mines is the low prices paid by MMTC. The last long term price deal worked out between the iron ore suppliers and MMTC was in 1970 and it expired in March 1973. This price itself was only marginally profitable to the iron suppliers because of an unfortunate zamindari system existing whereby in most cases, the actual lesses did not do the mining, but collected about Rs. 2/- per tonne unofficial commission from the iron ore suppliers who bore the costs of mining. Between 1970-73, the cost of mining has increased by about Rs. 6/- per tonne. But the MMTC agreed to give a price increase of only Rs. 2/- per tonne to the iron ore suppliers from April 1st, 1973 and that also on an adhoc basis, whereas it is learnt, the MMTC got a price increase from the Japanese, at about the same time, of Rs. 2,000/- per tonne. Thus, squeezed between rising cost of extraction and low price fetched by it, the iron ore suppliers are certainly not going to invest in the mines they run. It is about time the MMTC entered into firm, long term contracts at reasonable prices, with Karnataka's iron ore suppliers," Iron Ore, Poor follow-up of New Deposits, "The Hindu - Survey of Indian Industries, Section II, Madras, May, 1973, p. 56.

6. B.P. Radhakrishna, "Iron Ores of Mysore State", University of Mysore, Mysore, 1973, pp. 64, 75-76.

7. The Indian Express, Bangalore, 7th March, 1976.

8. The Indian Express, Bangalore, 19th April, 1976. (The project is being taken up by Mandovi Pellets in which Steel Authority of India is co-promotor. The Japanese buyers have extended a loan of 15 million dollars. On full production and exports the foreign exchange earnings from the plant would be over Rs. 35 crores)

9. N. Jagannath, "Employment Potential for educated youngmen in the Vijayanagar Steel Plant", Seminar at Toranagallu, on 10th-12th November, 1972, University Employment Information, Karnataka University, Dharwar, 1973.

10. Economic Development of Mysore 1956-1969, Bangalore, 1970, p. 109.

11. N.L.H.A. Warin, "Cement Industries in Mysore - Outlook for the Seventies", Southern Economist, October, 1971, pp. 33-34.

12. K.L. Rao, "India's Water Wealth", Bombay, 1974, p. 114.

13. Economic Development of Mysore 1956-1969, Bureau of Economics and Statistics, Bangalore, 1970. P. 97 and "Economics and Statistics Bulletin", Government of Andhra Pradesh, Hyderabad, 1972, p. 20.

14. The Indian Express, Bangalore, 18th December, 1976.

15. M.S.K. Murthy, Canals, Wells and Pumpsets, Deccan Herald, Industrial Mysore, Bangalore, May, 1962, p. 32.

16. N.P. Patil, Long Term Measures for Dry Land Areas, Deccan Herald, Industrial Mysore, Bangalore, May, 1971.

17. According to an estimate 23 % of the existing irrigation potential remained unutilised in 1970-1971. The Indian Express, Bangalore, 23rd April, 1976.

18. W.K. Easter, "Neglected Opportunities in Irrigation", Economic and Political Weekly, 6th April, 1974, p. 537.

19. Prof. Dandekar's Presidential Address, 26th All India Agricultural Economics Conference, Ludhiana, 1966.

20. C.S. Gajarajan, Seminar paper, Institute for Social and Economic Change, Bangalore, September, 1972.

21. Deccan Herald, Bangalore, 19th May, 1976.

22. The Hindu, Bangalore, 14th December, 1976.

23. K. Srikantiah, Well Irrigation in Karnataka State in Southern Economist, Bangalore, October, 1972.

24. Discussions with the village officials and local leaders at Vakkaleri village on 21st November 1975.

25. The Hindu, Bangalore, 26th November, 1973.

26. S.P. Malhotra, Unique lift irrigation scheme, Kurukshetra, 16th August, 1976.

27. Ibid.

28. L.T. Aminbhave, Harnessing our river waters, Industrial Mysore, Deccan Herald, Bangalore, 1969, p. 3.

29. Development of minor irrigation in Karnataka, 1957-1975, Government of Karnataka, Bangalore, March, 1976, pp. 10-11.

30. S.R. Bhardwaj, Bumber crops from alkaline soil, Kurukshetra, September, 1974.

31. Indian Express, Bangalore, 17th December, 1976.

32. An Economic Review, Mysore 1970-1971, Bureau of Economics and Statistics, Bangalore, 1972, p. 18.

33. G.D. Patil, Agrarian Reforms in Bombay, Indian Printing Works, Bombay, 1950, pp. 13-14.

34. D.G. Aring, Land and Men in Asia, Far Eastern Survey, January 1956, Vol. XXV, p. 14. Ch. Cheng, Land Reforms in Taiwan, China Publishing Company, 1961, pp. 68-70.

35. Kurukshetra, 16th October, 1974.

36. Congress Bulletin, New Delhi, Nos. 2, 3 and 4, 1960, p. 223.

37. Deccan Herald, Bangalore, 12th February, 1972.

38. Deccan Herald, Bangalore, 15th November, 1975.

39. U.K. Subbaiah, Cross-breeding for milk production, Deccan Herald, Industrial Mysore, Bangalore, May, 1969.

40. Deccan Herald, Bangalore, 14th July, 1976.

41. H.D. Bansal, Progress of white revolution, Kurukshetra, 16th August, 1976.

NOTES TO CHAPTER IX

1. W. Zelinsky, L.A. Kosinsky, R.M. Protheros (eds), Geography and a Crowding World, Oxford University Press, London, 1970, p. 581.
2. K. Saradamani, Women in Employment, Yojana, New Delhi, 15th August, 1975, p. 30.
3. Occupational Pattern in Karnataka, Public Sector, The Directorate of Employment and Training, Bangalore, 1970, p. 3.
4. R.N. Bishnoi, "Patterns of employment and the nature and cause of unemployment in agriculture, Indian Journal of Agricultural Economics, Vol. XX, No. 1, 1966, p. 59.
5. A comparison can also be made with Census of India, 1941, Mysore Economic Survey of Villages, Kolar district.

BIBLIOGRAPHY

Government publications


Annual Plan 1972-1973, Planning Department, Government of Karnataka, Bangalore, 1973.

Annual Plan 1975-1976, Department of Planning, Government of Karnataka, Bangalore, 1976.

The Apprentice Act, Government Press, Bangalore, 1971.

A Case Study of the Sub Regional Employment Exchange-Bangalore, Government of Mysore, Bangalore, 1968.

Census of India, General Population Tables, Series 14, Part II A, Government of India, 1971.

Census of India, Mysore, General Report, Series 14, Part-1 A, Vol. II, Government of India, 1971.

Census of India, 1971, Portrait of Population-Mysore, Government of India, 1974.

Development of Minor Irrigation in Karnataka, 1957-1975, Government of Karnataka, Bangalore, 1976.

Economic Development of Mysore 1956-1969, Bureau of Economics and Statistics, Bangalore, 1970.

Economic Review, Kerala, 1974, Bureau of Economics and Statistics, Government of Kerala, Trivandrum, Kerala, 1975.

An Economic Review, Mysore, 1970-1971, Bureau of Economics and Statistics, Government of Mysore, Bangalore, 1972.

Economics and Statistics Bulletin, Government of Andhra Pradesh, Hyderabad, 1972.

Employment Exchanges in Mysore - Fact Book, Directorate of Evaluation and Manpower, Bangalore, 1968.

Employment and Unemployment in Karnataka - A Profile of the 27th Round of N.S.S., Bureau of Economics and Statistics, Government of Karnataka, Bangalore, 1976.

Expert Committee on Unemployment (Bhagavathy Committee), An Assessment Government of India, New Delhi, 1973.

Fifth Five Year Plan (1974-1979), Planning Commission, Government of India, New Delhi, 1976.

Fourth Five Year Plan, A Draft, Planning Commission, Government of India, New Delhi, 1969.

Karnataka through Ages, Government of Mysore, Bangalore, 1968.

Kerala 1964, An Economic Review, Bureau of Economics and Statistics, Government of Kerala, Trivandrum, Kerala, 1964.

Level of Poverty in Rural Karnataka (Mimeograph), Bureau of Economics and Statistics, Government of Karnataka, Bangalore, 1974.

The Mysore Economic Review 1971-1972, Bureau of Economics and Statistics, Bangalore, 1972.

Mysore Economic Survey of Villages, Census of India, 1941.

Mysore 1951-1961, A Bird's eye view of progress achieved during the last ten years, Department of Information and Publicity, Government of Mysore, Bangalore, 1961.

The National Sample Survey, Fifteenth Round, Sixteenth Round, Government of India, New Delhi, 1960-1961.

The National Sample Survey, 27th Round, Vol. I, Government of India, New Delhi, 1972.

A Note on Certain Aspects of Mysore's Economic Growth during 1970-1971, Directorate of Manpower Evaluation, Planning Department, Bangalore, 1971.

Occupational Pattern in Karnataka (Public Sector), The Directorate of Employment and Training, Government of Mysore, Bangalore, 1970.

The Problem of Unemployment in Mysore State (Mimeograph), Directorate of Employment and Training, Government of Mysore, Bangalore, 1971.

Proceedings of the Karnataka State Assembly, March, 1976.

Proceedings of the Parliament, New Delhi, August, 1973.

Report of the Committee of Experts on Unemployment Estimates, Planning Commission, Government of India, New Delhi, 1970.

Report of the Mysore Resources and Economy Committee, Government of Mysore, Bangalore, 1970.

Report of the Panel of the Assessment of the Extent of Unemployment and Underemployment, Committee on Unemployment, Government of India, Vigyan Bhavan, New Delhi, 1972.

Third Five Year Plan - Policy and Programme, Government of Mysore, Bangalore, Vol. I, 1961.

Newspapers and journals

Congress Bulletin, New Delhi, Nos. 2, 3 and 4, 1960.

Deccan Herald, Bangalore, 1962, 1972, 1975, 1976.

The Hindu, Bangalore, 1973, 1974, 1976.

" Madras (annual edition), 1973.

The Indian Express, Bangalore, 1976.

International Labour Review, Geneva, Vol. LXXVI, 1957.

Kurukshetra, New Delhi, October, 1974.

Unpublished material

Discussion with the Director, Department of Mines and Geology, Government of Karnataka, Bangalore, 1st March, 1974.

Employment Exchange figures supplied by the Directorate of Employment and Training, Government of Karnataka, Bangalore, March, 1974.

Number of industries, figures supplied by the Department of Industries and Commerce, Government of Karnataka, Bangalore, 1973.

Literature


Adiseshaiah, M.S., Dimensions of the Problems of Unemployment, Madras Development Seminar Series, Madras, Vol. III, 1973.

Aminbhave, L.T., Harnessing our river waters, Industrial Mysore, Deccan Herald (annual edition), 1969.

Aring, D.G., Land and Men in Asia, Far Eastern Survey, Vol. XXV, 1956.

Bansal, H.D., Progress of White Revolution, Kurukshetra, August, 1976.

Bhardwaj, S.R., Bumper Crops from Alkaline Soil, Kurukshetra, September, 1974.

Bishoni, R.N., Pattern of Employment and the Nature and Cause of Unemployment in Agriculture, Indian Journal of Agricultural Economics, Vol. XX, 1966.

Cheng, Ch., Land Reforms in Taiwan, China Publishing Company, 1961.

Dandekar and Rath, Poverty in India, Economic and Political Weekly, March, 1971.

Dandekar's Presidential Address, 26th All India Agricultural Economic Conference, Ludhiana, 1966.

Das, N., Unemployment, Full Employment and India, Asia Publishing House, London, 1960.

Deshpande, R.A., Public Works Department, Mysore, Institute for Social and Economic Change, Bangalore, September, 1972.

Easter, W.K., Neglected Opportunities in Irrigation, Economic and Political Weekly, April, 1974.

Gajarajan, C.S., Rehabilitation of Displaced Farmers of Tungabhadra Project. Institute for Social and Economic Change, Bangalore, September, 1972.

Ghropade, M.Y., Finance of Karnataka, Commerce, November, 1975.

Gosh, A., Indian Economy, Its Nature and Problems, Bombay, 1975.

Jagannath, N., Employment Potential for Educated Youngmen in the Vijayanagar Steel Plant, Karnataka University, Dharwar, 1973.

Long, C., The Concept of Unemployment, the Quarterly Journal of Economics, Vol. LVII, 1942.

Malenbaum, W., Modern India's Economy, Columbus, Ohio, 1971.

Malhotra, S.P., Unique Lift Irrigation Scheme, Kurukshetra, 1976.

Mills, F.C., Statistical Methods, London, 1972.

Murarappa, N.B., The Transport and Communication in Mysore State, Institute for Social and Economic Change, Bangalore, September, 1972.

Murthy, M.R., Mysore's Fourth Five Year Plan, Southern Economist, October, 1969.

Murthy, M.S.K., Canals, Wells and Pumpsets, Industrial Mysore, Deccan Herald (annual edition), 1962.

Myrdal, G., Against the Stream, Critical Essays on Economics, Pantheon Books, New York, 1973.

Myrdal, G., Asian Drama, Pantheon Books, New York, 1968.

Norman, M., Japan, The Risen Sun, The Economics, Vol. CCXXIII, No. 6457, 1967.

Nurske, R., Problems of Capital Formation in Underdeveloped Countries, Basil Blockwell, Oxford, 1953.

Patil, G.D., Agrarian Reforms in Bombay, Indian Printing Works, Bombay, 1950.

Patil, N.P., Long Term Measures for Dry Land Areas, Industrial Mysore, Deccan Herald (annual edition), 1971.

Peacock, V., Shaw, G.K., Fiscal Policy and the Employment Problems in Less Developed Countries, O.E.C.D., Paris, 1971.

Radhakrishna, B.P., Iron Ores of Mysore State, University of Mysore, 1973.

Radhakrishna, B.P., Mining and Marketing of Iron Ore in Mysore, Southern Economics, October, 1969.

Rao, K.L., India's Water Wealth, Bombay, 1974.

Rao, K.L., Role of Irrigation and Power in Rural Development, Indian Industrial Annual, Government of India Publication, 1969.

Rao, M.V.S., Measurement of Employment, Unemployment and Underemployment in Rural Areas, Monthly Abstract of Statistics, Central Statistical Organization, New Delhi, Vol. 15, No. 4, 1962.

Rees, A.E., The official statistics, what they reveal and conceal in voluntary unemployment (A symposium (ed.) Gainsburgh, M.R., Public Affairs Conference Report), 1964.

Report prepared for the Sixth International Conference of Labour Statisticians, I.L.O., Geneva, Employment, Unemployment and Labour Force Statistics, A Study of Methods, 1948.

Robinson, J., Disguised Unemployment, Economic Journal, Vol. XLVI, 1936.

Rosenstein, P.N.R., Disguised Unemployment and Underemployment in Agriculture, Monthly Bulletin of Agricultural Economics and Statistics, Vol. VI, Nos. 7/8, 1957.

Saradamani, K., Women in Employment, Yojana, August, 1975.

Satishachandran, T.R., Industrial Development in Mysore, Institute for Social and Economic Change, Bangalore, September, 1972.

Sinha, B.N., Three Mysore Villages, A Geo-economic study, Census of India, 1961.

Solow, M., The Nature and Sources of Unemployment in the United States, Wicksell Lectures, Stockholm, 1964.

Srikanthiah, K., Well Irrigation in Karnataka State, Southern Economist, Bangalore, 1972.

Streeton, P.P., A Critique of Employment and Unemployment in the Third World Employment (Jolly R., Kadt, E.D., Singer, H., and Wilson, F. (eds), The Third World Employment Problems and Strategies, London, 1973).

Subbaiah, U.K., Cross Breeding for Milk Production, Industrial Mysore, Deccan Herald (annual edition), Bangalore, 1969.

Vijayappa, T.N., Mysore's Economic Development 1956-1969, Institute for Social and Economic Change, Bangalore, September, 1972.

Warin, A., Cement Industries in Mysore - Out Look for the Seventies, Southern Economist, October, 1971.

Weeks, J., Does Employment Matter? (Jolly, R., Kadt, E.D., Singer, H., and Wilson F. (eds), The Third World Employment Problems and Strategies, London, 1973).

Woytinsky, W.S., India, The Awakening Giant (Harper and Brothers), 1957.

Zelinsky, W., Kosinsky, L.A., Protheros, R.M. (eds), Geography and a Crowding World, Oxford University Press, London, 1970.

Acta Universitatis Upsaliensis
UPPSALA STUDIES IN ECONOMIC HISTORY

Editor: Bo Gustafsson

This series is a continuation of the Ekonomisk-historiska studier, in which vols. 1–9 were published in 1965–1973 by Esselte Studium, Stockholm.

Under its new title, the series is included in the publication group Acta Universitatis Upsaliensis and is distributed in the same way as the other series of that group.

10. Ragnhild Lundström, Alfred Nobel som internationell företagare. Den nobelska sprängämnesindustrin 1864–1886. 1974.
11. Göran Dyverfeldt, Norrbottnisk sågverksindustri 1900–1925. AB Ytterstfors-Munksund och dess föregångare. 1974.
12. Brita Jonell-Ericsson, Skinnare i Malung. Från Hemarbete till fabriksindustri. 1975.
13. Karsten Lundequist, Socialhjälpstagande – utveckling och orsaker 1945–1965. Med en intensivundersökning av hjälptagandet i Uppsala. 1976.
14. Eskil Ekstedt, Utbildningsexpansion. En studie över den högre utbildningens expansion och ekonomins strukturella omvandling i Sverige under efterkrigstiden. 1976.
15. Bertil Jakobsson, Företaget, kommunen och individen. En studie i relationerna mellan Söderfors bruk AB och Söderfors kommun och dess invånare 1895–1925. 1976.
16. Bo Gustafsson (utg.), Den offentliga sektorns expansion. Teori- och metodproblem. Bidrag från ett tvärvetenskapligt symposium i Uppsala 9–12 mars 1976 anordnat med stöd av Statens Råd för Samhällsforskning. 1977.
17. Alf Johansson, Den effektiva arbetstiden. Verkstäderna och arbetsintensitetens problem 1900–1920. 1977.
18. Maths Isacson, Ekonomisk tillväxt och social differentiering 1680–1860. Bondeklassen i By socken, Kopparbergs län. 1979.
19. Franklin Chinna Swamy Vivekananda, Unemployment in Karnataka South India. 1979.

ISBN 91-554-0992-X
ISSN 0346-6493